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As filed with the Securities and Exchange Commission on September 18, 2017

Registration No. 333-220321

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM F-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

NUCANA PLC

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

England and Wales	**2834**	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

NuCana plc
10 Lochside Place
Edinburgh, EH12 9RG
United Kingdom
Telephone: +44 (0)131 248 3660

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Corporation Service Company
251 Little Falls Drive Wilmington, DE 19808
United States
Telephone: +1 302 636 5400

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933. Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(3)	Proposed maximum offering price share	Proposed maximum aggregate offering price(4)	Amount of registration fee(5)(6)
Ordinary Shares, nominal value £0.04 per share(1)(2)	7,667,050	$16.00	$122,672,800	$14,218

(1) These ordinary shares are represented by American Depositary Shares, or ADSs, each of which represents one ordinary share of the registrant.

(2) ADSs issuable on deposit of the ordinary shares registered hereby will be registered pursuant to a separate registration statement on Form F-6 (File No.: 333-220392).

(3) Includes 1,000,050 ordinary shares represented by ADSs that the underwriters may purchase pursuant to an option to purchase additional ADSs solely to cover over-allotments, if any.

(4) Estimated solely for the purpose of determining the amount of the registration fee in accordance with Rule 457(a) of the Securities Act of 1933, as amended.

(5) Calculated pursuant to Rule 457(a) based on an estimate of the proposed maximum aggregate offering price.

(6) $13,329 of this registration fee was previously paid by the registrant.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Commission, acting pursuant to such Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED SEPTEMBER 18, 2017

PRELIMINARY PROSPECTUS

6,667,000 American Depositary Shares

NUCANA

Representing 6,667,000 Ordinary Shares

$ per American Depositary Share

This is the initial public offering of our American Depositary Shares, or ADSs. We are selling 6,667,000 of our ADSs in this offering. Each ADS will represent one ordinary share, nominal value £0.04 per share. The ADSs may be evidenced by American Depositary Receipts, or ADRs.

We expect that the initial public offering price will be between $14.00 and $16.00 per ADS. No public market has previously existed for our ADSs or ordinary shares. We have applied to list our ADSs on the Nasdaq Global Market under the symbol "NCNA."

We are an "emerging growth company" as such term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements.

Investing in our ADSs involves a high degree of risk. See "Risk Factors" beginning on page 11.

Neither the U.S. Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per ADS	Total
Public Offering Price	$	$
Underwriting Discounts and Commissions[1]	$	$
Proceeds to NuCana (before expenses)	$	$

(1) We refer you to "Underwriting" beginning on page 191 for additional information regarding underwriting compensation.

Certain of our existing shareholders have indicated an interest in purchasing an aggregate of up to approximately $40 million of our ADSs in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, the underwriters could determine to sell more, fewer or no ADSs to any of these potential purchasers, and any of these potential purchasers could determine to purchase more, fewer or no ADSs in this offering. See "Prospectus Summary—The Offering."

The underwriters have an option to purchase up to 1,000,050 additional ADSs from us at the public offering price, less the underwriting discounts and commissions payable by us, for 30 days after the date of this prospectus to cover over-allotments, if any.

Delivery of the ADSs will be made against payment in New York, New York on or about , 2017.

Joint Book-Running Managers

Citigroup **Jefferies** **Cowen**

Co-Manager

William Blair

, 2017

You should rely only on the information contained in this prospectus and any related free-writing prospectus that we authorize to be distributed to you. We have not, and the underwriters have not, authorized any person to provide you with information different from that contained in this prospectus or any related free-writing prospectus that we authorize to be distributed to you. This prospectus is not an offer to sell, nor is it seeking an offer to buy, these securities in any jurisdiction where the offer or sale is not permitted. The information in this prospectus speaks only as of the date of this prospectus unless the information specifically indicates that another date applies, regardless of the time of delivery of this prospectus or of any sale of the securities offered hereby.

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No action is being taken in any jurisdiction outside the United States to permit a public offering of the ADSs or possession or distribution of this prospectus in that jurisdiction. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of the prospectus applicable to that jurisdiction.

We are incorporated under the laws of England and Wales and a majority of our outstanding securities are owned by non-U.S. residents. Under the rules of the U.S. Securities and Exchange Commission, or the SEC, we are currently eligible for treatment as a "foreign private issuer." As a foreign private issuer, we will not be required to file periodic reports and financial statements with the SEC as frequently or as promptly as domestic registrants whose securities are registered under the Securities Exchange Act of 1934, as amended.

ABOUT THIS PROSPECTUS

On August 29, 2017, we re-registered NuCana BioMed Limited as a public limited company and changed our name from NuCana BioMed Limited to NuCana plc.

Unless otherwise indicated or the context otherwise requires, in this prospectus, "NuCana," "NuCana BioMed Limited," "NuCana plc," the "Group," the "company," "we," "us" and "our" refer to (i) NuCana BioMed Limited and its consolidated subsidiaries prior to the re-registration of NuCana BioMed Limited as a public limited company and (ii) NuCana plc and its consolidated subsidiaries after the re-registration of NuCana BioMed Limited as a public limited company. See "Description of Share Capital."

PRESENTATION OF FINANCIAL INFORMATION

We report under International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. None of the financial statements were prepared in accordance with generally accepted accounting principles in the United States. We present our financial statements in pounds sterling and in accordance with IFRS. All references in this prospectus to "$" are to U.S. dollars and all references to "£" are to pounds sterling. Unless otherwise indicated, certain U.S. dollar amounts contained in this prospectus have been translated into pounds sterling at the rate on June 30, 2017 of £1.00 to $1.2995. These translations should not be considered representations that any such amounts have been, could have been or could be converted into pounds sterling at that or any other exchange rate as of that or any other date.

We have made rounding adjustments to some of the figures included in this prospectus. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

SUMMARY

This summary highlights information contained elsewhere in this prospectus. It may not contain all of the information that may be important to you. Before investing in our ADSs, you should read this entire prospectus carefully for a more complete understanding of our business and this offering, including our consolidated financial statements and the notes thereto, and the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in this prospectus.

Overview

We are a clinical-stage biopharmaceutical company focused on significantly improving treatment outcomes for cancer patients by applying our ProTide™ technology to transform some of the most widely prescribed chemotherapy agents, nucleoside analogs, into more effective and safer medicines. While these conventional agents remain part of the standard of care for the treatment of many solid tumors, their efficacy is limited by cancer cell resistance mechanisms and they are often poorly tolerated. Utilizing our proprietary technology, we are developing new medicines, ProTides, designed to overcome key cancer resistance mechanisms and generate much higher concentrations of anti-cancer metabolites in cancer cells. Our most advanced ProTide candidates, Acelarin® and NUC-3373, are new chemical entities derived from the nucleoside analogs gemcitabine and 5-fluorouracil, respectively, two widely used chemotherapy agents. Acelarin is currently being evaluated in four clinical trials across several solid tumor indications, including ovarian cancer, biliary cancer and pancreatic cancer. NUC-3373 is currently in a Phase 1 trial for the potential treatment of a wide range of advanced solid tumor cancers. We have retained worldwide rights to these lead product candidates as well as our preclinical product candidates, all of which we refer to as ProTides.

Acelarin, our most advanced product candidate, is a potential first-in-class ProTide that has been evaluated in over 140 patients. Acelarin is a ProTide transformation of gemcitabine that we believe could replace gemcitabine in certain cancer indications and have utility across a range of other cancers. In a Phase 1 dose-ranging trial in 49 evaluable patients with advanced metastatic solid tumors, Acelarin was well tolerated, achieved a 78% disease control rate and was associated with intracellular levels of active anti-cancer metabolite over 200 times higher than those reported for gemcitabine. A subset of 14 evaluable patients with relapsed/refractory gynecological cancers achieved a 93% disease control rate. In a Phase 1b dose-ranging trial in 23 evaluable patients with recurrent ovarian cancer, Acelarin was combined with carboplatin and achieved a 96% disease control rate. Based on these disease control rates and the tolerability profile, we have begun a Phase 2 trial of Acelarin in patients with platinum-resistant ovarian cancer, for which we expect to report interim data in 2018. Acelarin is also being evaluated in another Phase 1b trial in patients with biliary cancer to determine its optimal dose in combination with cisplatin. We expect to report data from this trial in 2018, after which we plan to commence a multi-national Phase 3 trial. In addition, the National Cancer Research Institute in the United Kingdom is facilitating a Phase 3 trial of Acelarin for the treatment of patients with pancreatic cancer. The disease control rates referred to above include complete responses, partial responses and stable disease, measured by radiographic assessment to determine changes in tumor size, and evaluated using the standard scoring system known as Response Evaluation Criteria in Solid Tumors, or RECIST. The disease control rates are based on investigator assessment of tumor response in a limited number of patients and may not be predictive of or consistent with the results of later trials.

NUC-3373, our second product candidate, is a ProTide transformation of the active anti-cancer metabolite of 5-fluorouracil, or 5-FU, which we believe has the potential to replace 5-FU as the standard of care in the treatment of a wide range of cancers. In preclinical studies, we observed that NUC-3373 overcame the key resistance mechanisms associated with 5-FU and generated intracellular levels of active anti-cancer metabolite over 300 times higher than that of 5-FU. NUC-3373 is currently being evaluated in a Phase 1 clinical trial of

patients with advanced solid tumors for which we reported interim data in September 2017. We expect to report final data from this trial in 2018. Contingent on regulatory guidance and other factors, we plan to initiate a number of clinical trials in 2018: a Phase 1b trial of NUC-3373 in patients with colorectal cancer together with
other agents routinely used in 5-FU combination regimens; a Phase 3 trial in patients with advanced colorectal cancer; and a Phase 2 trial in patients with advanced breast cancer.

NUC-7738, our third product candidate, is a ProTide transformation of cordycepin, a novel nucleoside analog that has shown potent anti-cancer activity in preclinical studies. We are evaluating NUC-7738 in preclinical studies and we expect to initiate a Phase 1 clinical trial in 2018.

Despite the widespread use of nucleoside analogs, their efficacy is severely limited by cancer cell resistance mechanisms and they are often poorly tolerated. Harnessing the power of phosphoramidate chemistry, we convert nucleoside analogs into activated nucleotide analogs with the addition of a phosphate group, which is protected by specific combinations of aryl, ester and amino acid groupings. By adding and protecting this phosphate group, we design our ProTides to avoid or overcome key cancer resistance mechanisms in the uptake, activation and breakdown of nucleoside analogs. As a result, we believe our ProTides have the potential to generate hundreds of times higher concentrations of the active anti-cancer metabolites inside tumor cells, potentially making our ProTides more effective than the current standards of care. Because our ProTides resist breakdown, and are thus more stable, we believe they are also able to reduce or eliminate the generation of toxic byproducts that can result from the breakdown of nucleoside analogs like gemcitabine and 5-FU.

Our proprietary ProTide technology was invented in the Cardiff University laboratory of our late Chief Scientific Officer, Professor Christopher McGuigan, who conceived of, and filed the original composition of matter patents for our initial ProTides. The unique feature of his discovery was the specific combination of aryl, ester and amino acid groupings that protect the activated, or phosphorylated, nucleoside analog. This phosphoramidate chemistry approach is the key to the ProTide technology. Every ProTide grouping is distinct, and Professor McGuigan and his team synthesized and tested thousands of compounds in order to identify the optimal ProTide grouping for each underlying nucleoside analog.

We have licensed what we believe to be the foundational patent estate for the application of phosphoramidate chemistry in oncology. We have granted patents in key markets, including the United States, Europe and Japan, protecting the composition of matter of Acelarin, NUC-3373 and other of our product candidates. Professor McGuigan’s work preceded and helped lead to the development of several FDA-approved anti-viral drugs containing nucleotide analogs, including: sofosbuvir, or Sovaldi®, which is also a key component of Harvoni®; and tenofovir alafenamide fumarate, or TAF, which is a key component of Genvoya®, Descovy® and Odefsey®.

We are led by Hugh S. Griffith, our founder and Chief Executive Officer, who brings over 25 years of experience in the biopharmaceutical industry, including at Abbott Laboratories (now AbbVie Inc.) and Parke-Davis Warner Lambert (now Pfizer Inc.). Before founding NuCana, he led the operations of Bioenvision, Inc. from start-up through its acquisition by Genzyme Corporation. While at Bioenvision, he was instrumental in developing and commercializing clofarabine, a nucleoside analog for the treatment of pediatric leukemia. We are backed by leading life sciences investors, including Sofinnova Partners, Sofinnova Ventures, Morningside Group and Scottish Enterprise.

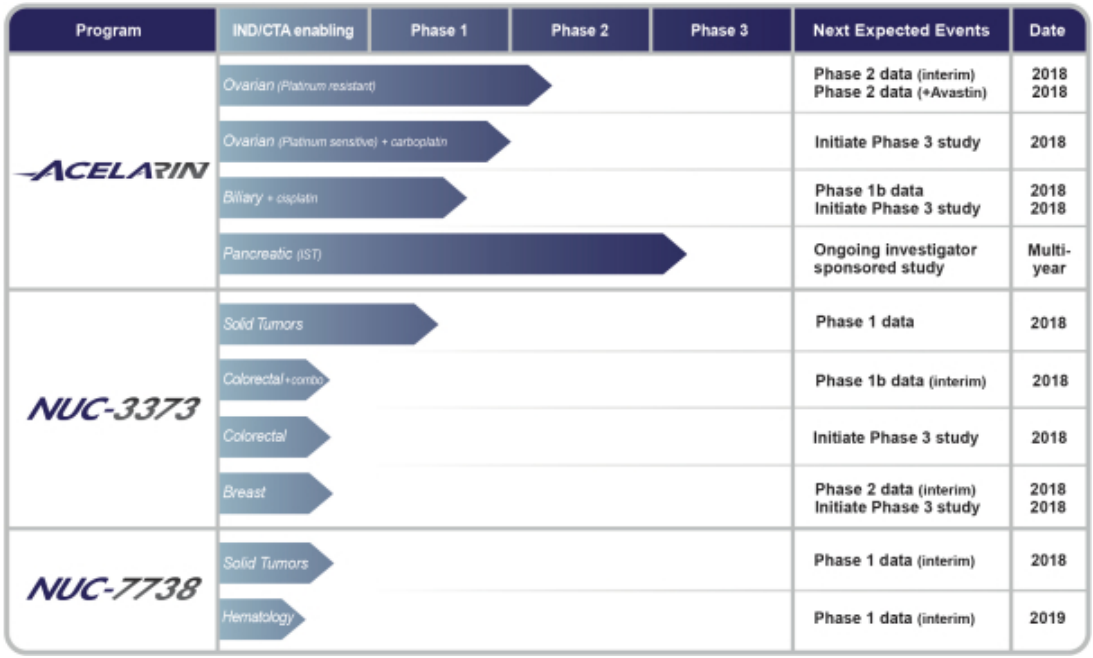
Our Strategy

Our goal is to transform standards of care and improve survival for patients across a wide range of cancer indications. Our strategy includes the following key components:

- **Rapidly develop Acelarin as a first-in-class nucleotide analog for the treatment of patients with cancer**. We believe that Acelarin has the potential to replace the core chemotherapy component of treatment regimens for patients with various cancers, including:
  - *Platinum-resistant ovarian cancer.* We expect to report data from a Phase 2 trial of Acelarin in 2018. We also intend to explore the use of Acelarin in combination with Avastin, a widely used agent in the treatment of several cancers, and expect to report data from this trial in 2018.
  - *Platinum-sensitive ovarian cancer.* Contingent on regulatory guidance and other factors, we expect to commence a Phase 3 trial of Acelarin in combination with carboplatin for this indication in 2018.
  - *Biliary cancer.* We expect to report data from a Phase 1b trial of Acelarin in combination with cisplatin in 2018. Contingent on regulatory guidance and other factors, we plan to commence a Phase 3 trial of Acelarin in combination with cisplatin as a first-line treatment in 2018.
  - *Pancreatic cancer.* The National Cancer Research Institute in the United Kingdom is facilitating a Phase 3 trial of Acelarin as a first-line treatment compared to gemcitabine.
- **Rapidly develop NUC-3373 to replace 5-FU as the standard of care for the treatment of patients with various cancers.**
  - *Advanced solid tumors*. We expect to report final data from a Phase 1 trial of NUC-3373 in patients with advanced solid tumors in 2018.
  - *Colorectal cancer*. We plan to establish the optimal dose of NUC-3373 in combination with other agents in a Phase 1b trial in 2018. Contingent on regulatory guidance and other factors, we also intend to initiate a Phase 3 trial of NUC-3373 monotherapy in 2018.
  - *Breast cancer*. We intend to conduct a Phase 2 trial of NUC-3373 compared to capecitabine, the oral version of 5-FU, in patients with recurrent breast cancer and anticipate reporting interim data from this trial in 2018.
- **Rapidly advance NUC-7738 into clinical trials**. NUC-7738, a ProTide based on a novel nucleoside analog, is currently undergoing preclinical studies and we expect to initiate a Phase 1 trial in 2018 for solid tumors. In addition, we plan to develop NUC-7738 for the treatment of hematological malignancies.
- **Leverage our proprietary ProTide technology platform to develop additional product candidates**. We are pursuing both the transformation of well-established and widely used nucleoside analogs as well as novel nucleoside analogs, which we believe have the potential to address additional areas of unmet medical need in oncology.
- **Continue to strengthen our intellectual property position**. We own or have exclusive rights to the core technologies underlying our ProTide technology platform. We have granted patents in key markets, including the United States, Europe and Japan, protecting the composition of matter of Acelarin, NUC-3373 and other of our product candidates. We intend to further expand and enhance our intellectual property position.
- **Build a focused commercial organization**. We have worldwide rights to all product candidates that we are developing. We believe that many of the cancers we are initially targeting with our ProTides can be addressed by a focused sales and marketing team. We plan to commercialize any product candidates for which we receive regulatory marketing approval using a specialized sales force in the United States and Europe.

Our Pipeline

We take a scientifically driven approach to designing ProTides, which we believe have the potential to result in highly efficacious cancer therapies with improved tolerability. Our pipeline of product candidates is summarized below.



Corporate Information

NuCana was incorporated under the laws of England and Wales in 1997 under the name Biomed (UK) Limited, and commenced operations in 2008. On April 28, 2008, we changed our name to NuCana BioMed Limited. On August 29, 2017, we re-registered as a public limited company and changed our name to NuCana plc. Our registered office is 77/78 Cannon Street, London EC4N 6AF, United Kingdom. Our principal executive offices are located at 10 Lochside Place, Edinburgh, EH12 9RG, United Kingdom, our general telephone number is +44 (0)131 248 3660 and our internet address is http://www.nucana.com. Our website and the information contained on or accessible through our website are not part of this prospectus.

NuCana, the NuCana logo and other trademarks or service marks of NuCana plc appearing in this prospectus are the property of NuCana plc. Trade names, trademarks and service marks of other companies appearing in this prospectus are the property of their respective owners. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may be without the ® and ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to these trademarks, service marks and trade names.

Risk Factors

Our business is subject to numerous risks that could prevent us from successfully implementing our business strategy. These and other risks are discussed more fully in "Risk Factors" immediately following this prospectus summary and include the following:

- We have incurred significant operating losses since our inception. We expect to incur losses for the foreseeable future and may never achieve or maintain profitability.
- We depend heavily on the success of our product candidates, Acelarin, NUC-3373 and NUC-7738. We cannot give any assurance that these product candidates will receive regulatory approval for any indication, which is necessary before any of them can be commercialized.
- Our lack of any approved products and our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.
- We will require substantial additional funding, which may not be available to us on acceptable terms, or at all.
- Drug development involves a lengthy and expensive process, with an uncertain outcome. We may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development, and may experience delays in obtaining, or ultimately be unable to obtain, the approval, of our product candidates.
- Initial success in early-stage clinical trials may not be indicative of results obtained in later-stage trials, and the results of our clinical trials may not meet the level of statistical significance required by the Food and Drug Administration, or FDA, or comparable foreign regulatory authorities for marketing approval. In addition, the data from the Phase 1b trial are interim and may change as the data are further examined, more patient data become available and the final clinical study report is prepared and issued.
- We may not be successful in our efforts to use and expand our technology platform to build a pipeline of additional ProTide candidates.
- Our product candidates may cause undesirable side effects that could delay or prevent their marketing approval, limit the commercial profile of an approved label or result in significant negative consequences following marketing approval, if any.
- We rely on, and expect to continue to rely on, third parties to conduct our clinical trials for our product candidates.
- We contract with third parties for the manufacture and shipment of our product candidates for preclinical studies and clinical trials and expect to continue to do so for commercialization.
- We have entered into, and may in the future enter into, collaborations with third parties to discover or develop product candidates. If these collaborations are not successful, our business could be adversely affected.
- We face substantial competition, which may result in others discovering, developing or commercializing competing products before or more successfully than we do.
- If we are unable to obtain and maintain intellectual property protection for our technology and products, or if the scope of the intellectual property protection obtained is not sufficiently broad, our competitors could commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired. In addition, if we infringe the valid patent rights of others, we may be prevented from making, using or selling our products or may be subject to damages or penalties.

- We currently have a limited number of employees, and our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

Implications of Being an Emerging Growth Company and a Foreign Private Issuer

We qualify as an "emerging growth company," or EGC, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As such, we may take advantage of specified reduced reporting requirements and are relieved of certain other significant requirements that are otherwise generally applicable to public companies in the United States. These provisions include:

- the ability to include only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure; and
- an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002.

We may take advantage of these provisions for up to five years or such earlier time that we are no longer an EGC. We would cease to be an EGC if we have more than $1.07 billion in total annual gross revenue, have more than $700 million in market value of our ordinary shares held by non-affiliates or issue more than $1.0 billion of non-convertible debt over a three-year period.

Upon the completion of this offering, we will report under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as a non-U.S. company with foreign private issuer status. Even if we no longer qualify as an EGC, as long as we qualify as a foreign private issuer under the Exchange Act we will be exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including:

- the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities, and liability for insiders who profit from trades made in a short period of time; and
- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K upon the occurrence of specified significant events.

Both foreign private issuers and EGCs are also exempt from certain more stringent executive compensation disclosure rules. Thus, even if we no longer qualify as an EGC, but remain a foreign private issuer, we will continue to be exempt from the more stringent compensation disclosures required of companies that are neither an EGC nor a foreign private issuer. As a consequence, we do not know if some investors will find our ADSs less attractive, which may result in a less active trading market for our ADSs or more volatility in the price of our ADSs.

THE OFFERING

ADSs offered by us	6,667,000 ADSs, each representing one ordinary share.
Over-allotment option	We have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase up to 1,000,050 additional ADSs from us to cover over-allotments, if any.
Ordinary shares to be outstanding immediately after this offering	30,881,641 ordinary shares (or 31,881,691 ordinary shares if the underwriters exercise in full their over-allotment option to purchase an additional 1,000,050 ADSs).
American Depositary Shares	Each ADS represents one ordinary share, nominal value £0.04 per share. The depositary or its custodian, or a nominee of either, will hold the ordinary shares underlying your ADSs. As an ADS holder you will not be treated as one of our shareholders and you will not have shareholder rights. You will have rights as provided in the deposit agreement. You may cancel your ADSs and withdraw the underlying ordinary shares as provided in the deposit agreement. We may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs following an amendment, you agree to be bound by the terms of the deposit agreement then in effect. To better understand the terms of the ADSs, you should carefully read “Description of American Depositary Shares” in this prospectus. You should also read the deposit agreement, which is an exhibit to the registration statement that includes this prospectus.
Depositary	Citibank, N.A.
Shareholder approval of offering	Under English law, certain steps necessary for the completion of this offering require the approval of our shareholders by way of ordinary resolutions approved by more than 50% of all voting rights and special resolutions approved by at least 75% of all voting rights. We will receive all such required approvals prior to the completion of this offering. See “Description of Share Capital” in this prospectus.
Use of proceeds	We expect to receive total estimated net proceeds from this offering of approximately $90.7 million, assuming an initial public offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering, together with our existing cash and cash equivalents, to fund our planned development of Acelarin, NUC-3373 and NUC-7738, other research and development activities and for working capital and other general corporate purposes. See “Use of Proceeds” in this prospectus.

Risk factors	You should carefully read the information set forth under "Risk Factors" beginning on page 11 of this prospectus before investing in our ADSs.
Proposed Nasdaq Global Market listing	We have applied to list our ADSs on the Nasdaq Global Market, or Nasdaq, under the symbol "NCNA."

The number of our ordinary shares to be outstanding immediately after this offering is calculated by reference to our entire issued share capital of 24,214,641 shares as of August 31, 2017 and gives effect to the automatic conversion, immediately prior to the completion of this offering, of all issued series A convertible participating shares, series B convertible participating shares (after giving effect to the series B conversion adjustment as described in "Description of Share Capital—Conversion of Series B Shares into Ordinary Shares"), founder ordinary 1 shares and founder ordinary 2 shares into ordinary shares on a one-for-one basis, and excludes:

- 3,233,937 ordinary shares issuable upon exercise of outstanding options under our equity incentive plans as of August 31, 2017 at a weighted average exercise price of £0.71 per share;
- 1,261,783 ordinary shares issuable upon exercise of outstanding options under our equity incentive plans that were granted after August 31, 2017 at a weighted average exercise price of £1.09 per share;
- 215,782 ordinary shares issuable upon exercise of options approved for grant under our equity incentive plans as of and in connection with the pricing of this offering to be issued at an exercise price equal to the initial public offering price per ADS in this offering; and
- 3,545,409 ordinary shares authorized for issuance pursuant to future awards under our equity incentive plans.

Unless otherwise indicated, all information in this prospectus, including information relating to the number of ordinary shares to be outstanding immediately after the completion of this offering:

- gives effect to a one-for-four reverse stock split of our ordinary shares that was effected on September 14, 2017; and
- assumes no exercise by the underwriters of their option to purchase up to 1,000,050 additional ADSs to cover over-allotments, if any.

Participation in the Offering

Certain of our existing shareholders have indicated an interest in purchasing an aggregate of up to approximately $40 million of our ADSs in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, the underwriters could determine to sell more, fewer or no ADSs to any of these potential purchasers, and any of these potential purchasers could determine to purchase more, fewer or no ADSs in this offering. The underwriters will receive the same underwriting discount on any securities purchased by these investors as they will on any other securities sold to the public in this offering.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data as of the dates and for the periods indicated. The consolidated financial data as of and for the years ended December 31, 2015 and 2016 have been derived from our consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standard Board, or IASB, and audited in accordance with the standards of the Public Company Accounting Oversight Board (United States), and included elsewhere in this prospectus. The consolidated financial data as of and for the six months ended June 30, 2016 and 2017 have been derived from our unaudited consolidated interim financial statements included elsewhere in this prospectus. The unaudited consolidated interim financial statements have been prepared on the same basis as our audited consolidated financial statements and include all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair statement of our financial position and operating results as of the dates and for the periods presented.

Our historical results are not necessarily indicative of the results that may be expected in the future and our results for the six months ended June 30, 2017 are not necessarily indicative of our results to be expected for the full year 2017. The following summary consolidated financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements included elsewhere in this prospectus.

	Year Ended December 31,		Six Months Ended June 30,	
	2015	2016	2016	2017
			(unaudited)	
	(in thousands, except per share data)			
Consolidated statement of comprehensive loss data:				
Research and development expenses	£ (5,655)	£ (7,904)	£ (3,784)	£ (3,689)
Administrative expenses	(1,251)	(1,143)	(908)	(637)
Initial public offering related expenses	—	—	—	(1,066)
Net foreign exchange (losses) gains	(8)	599	318	(161)
Operating loss	(6,914)	(8,448)	(4,374)	(5,553)
Finance income	406	283	167	91
Loss before tax	(6,508)	(8,165)	(4,207)	(5,462)
Income tax credit	1,176	2,116	1,090	1,077
Loss for the period	(5,332)	(6,049)	(3,117)	(4,385)
Other comprehensive (expense) income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(1)	(2)	4	(1)
Total comprehensive loss for the period	£ (5,333)	£ (6,051)	£ (3,113)	£ (4,386)
Basic and diluted loss per share	£ (0.22)	£ (0.25)	£ (0.13)	£ (0.18)

The following table presents our consolidated statement of financial position data as of June 30, 2017 on:

- an actual basis;
- a pro forma basis to give effect to the automatic conversion, immediately prior to the completion of this offering, of all issued series A convertible participating shares, series B convertible participating shares, founder ordinary 1 shares and founder ordinary 2 shares into ordinary shares on a one-for-one basis; and

- a pro forma as adjusted basis to give further effect to the sale by us of 6,667,000 ADSs in this offering at an offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	As of June 30, 2017		
	Actual (unaudited)	Pro Forma	Pro Forma as Adjusted(1)
		(in thousands)	
Consolidated statement of financial position data:			
Cash and cash equivalents	£ 15,918	£ 15,918	£ 85,748
Total assets	23,643	23,643	93,473
Share capital	663	967	1,234
Share premium	304	—	71,303
Accumulated deficit	(26,641)	(26,641)	(28,381)
Capital reserve(2)	42,466	42,466	42,466
Total equity attributable to equity holders	21,387	21,387	91,217
Total liabilities	(2,256)	(2,256)	(2,256)

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease the pro forma as adjusted amount of each of cash and cash equivalents, total assets and total equity by £4.8 million, assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase or decrease of 1,000,000 in the number of ADSs offered by us, as set forth on the cover page of this prospectus, would increase or decrease the pro forma as adjusted amount of each of cash and cash equivalents, total assets and total equity by £10.7 million, assuming no change in the assumed initial public offering price per ADS and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(2) The capital reserve balance arose from the impact of the reduction of our share premium account and corresponding increase to our capital reserve account reflected as of June 30, 2017 in connection with our re-registration as a public limited company, as further described in footnote 10 to the unaudited consolidated interim financial statements.

RISK FACTORS

Investing in the ADSs involves a high degree of risk. You should carefully consider the following risk factors and all other information contained in this prospectus, including our consolidated financial statements and the related notes, before investing in the ADSs. The risks and uncertainties described below are those significant risk factors, currently known and specific to us, that we believe are relevant to an investment in the ADSs. If any of these risks materialize, our business, results of operations or financial condition could suffer, the price of the ADSs could decline and you could lose part or all of your investment. Additional risks and uncertainties not currently known to us or that we now deem immaterial may also harm us and adversely affect your investment in the ADSs.

Risks Related to Our Business and Industry

We have incurred significant operating losses since our inception. We expect to incur losses for the foreseeable future and may never achieve or maintain profitability.

We have incurred significant operating losses since our inception. We incurred net losses of £5.3 million for the year ended December 31, 2015, £6.0 million for the year ended December 31, 2016 and £4.4 million for the six months ended June 30, 2017. As of December 31, 2016, we had an accumulated deficit of £22.3 million and, as of June 30, 2017, we had an accumulated deficit of £26.6 million. Our most advanced product candidate, Acelarin, is currently being evaluated in four clinical trials: two Phase 1b trials, one Phase 2 trial, and one multi-year investigator-sponsored Phase 3 trial. Our other clinical-stage product candidate, NUC-3373, is currently in a Phase 1 trial. It may be several years, if ever, before we have a product candidate ready for commercialization. To date, we have financed our operations primarily through private placements of our equity securities. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. The net losses we incur may fluctuate significantly from quarter to quarter. We anticipate that our expenses will increase substantially if and as we:

- continue development of our ProTides, including initiating additional clinical trials of Acelarin and NUC-3373;
- complete preclinical studies and potentially initiate clinical trials of our preclinical-stage product candidates, including our product candidate NUC-7738;
- identify and develop new product candidates;
- establish a robust supply chain for the manufacture of our product candidates in accordance with current good manufacturing practice, or cGMP;
- seek marketing approvals for our product candidates that successfully complete clinical trials;
- establish a sales, marketing and distribution infrastructure to commercialize any products for which we obtain marketing approval;
- pursue market acceptance of our product candidates in the medical community and with third-party payors;
- maintain, expand and protect our intellectual property portfolio;
- expand our headcount by recruiting personnel to drive our clinical development programs and effectively manage out-sourced development activities;
- enter into collaboration arrangements, if any, for the development of our product candidates or in-license other products and technologies;
- achieve milestones which will trigger payments under our license agreements;
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts; and
- incur increased administrative and other costs as a result of operating as a public company.

Because of the numerous risks and uncertainties associated with developing new pharmaceutical drugs, we are unable to predict the extent of any future losses or when we will become profitable, if at all. In addition, our expenses could increase beyond expectations if we are required by the European Medicines Agency, or EMA, the Food and Drug Administration, or FDA, or other foreign regulatory agencies, to perform studies and clinical trials in addition to those that we currently anticipate, or if there are any delays in the completion of planned clinical trials or the development of any of our ProTides.

To become and remain profitable, we must develop and eventually commercialize products with significant market potential. This will require us to be successful in a range of challenging activities, including the following:

- completing clinical trials of our product candidates that achieve their clinical endpoints;
- obtaining marketing approval for our product candidates;
- manufacturing, marketing and selling those products for which we may obtain marketing approval; and
- achieving market acceptance of our product candidates in the medical community and with third-party payors.

We may never succeed in these activities and, even if we do, may never generate revenues that are significant or large enough to achieve profitability. If we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would decrease the value of the company and could impair our ability to raise capital, maintain our discovery and preclinical development efforts, expand our business or continue our operations and may require us to raise additional capital that may dilute your ownership interest. A decline in the value of our company could also cause you to lose all or part of your investment.

We depend heavily on the success of our product candidates, Acelarin, NUC-3373 and NUC-7738. We cannot give any assurance that these product candidates will receive regulatory approval for any indication, which is necessary before any of them can be commercialized. If we, and any collaborators with whom we may enter into agreements for the development and commercialization of any of these product candidates, are unable to commercialize them, or experience significant delays in doing so, our ability to generate revenue and our financial condition will be adversely affected.

We do not currently generate any revenues from sales of any products, and we may never be able to develop or commercialize a marketable product. We have invested substantially all of our efforts and financial resources to date in the development of Acelarin, NUC-3373 and NUC-7738. Our ability to generate product revenues, which we do not expect will occur for at least the next several years, if ever, will depend heavily on the successful development and eventual commercialization of these product candidates, if approved, which may never occur. Each of Acelarin, NUC-3373 and NUC-7738 will require additional clinical development, management of clinical, preclinical and manufacturing activities, regulatory approval in multiple jurisdictions, procurement of manufacturing supply, commercialization, substantial additional investment and significant marketing efforts before we generate any revenues from product sales, if at all. We are not permitted to market or promote any product candidates in the United States, Europe or other countries before we receive regulatory approval from the FDA, the EMA or comparable foreign regulatory authorities, and we may never receive such regulatory approval for Acelarin, NUC-3373 or NUC-7738 or any future product candidate. We have not submitted a New Drug Application, or NDA, to the FDA, a Marketing Authorization Application, or MAA, to the EMA or comparable applications to other regulatory authorities for any of our product candidates and do not expect to be in a position to do so in the foreseeable future. The success of our product candidates will depend on many factors, including the following with respect to each of Acelarin, NUC-3373 and NUC-7738, specifically:

- we may not be able to demonstrate that the product candidate is safe and effective as a treatment for our targeted indications to the satisfaction of the applicable regulatory authorities;

- the applicable regulatory authorities may require additional preclinical or clinical trials of the product candidate, including additional toxicology trials, which would increase our costs and prolong our development;
- the results of clinical trials of our product candidates may not meet the level of statistical or clinical significance required by the applicable regulatory authorities for marketing approval;
- the applicable regulatory authorities may disagree with the number, design, size, conduct or implementation of our planned clinical trials;
- the contract research organizations, or CROs, that we retain to conduct clinical trials may take actions outside of our control that adversely impact our clinical trials;
- the applicable regulatory authorities may not find the data from preclinical studies and clinical trials sufficient to demonstrate that the clinical and other benefits of the product candidate outweigh its safety risks;
- the applicable regulatory authorities may disagree with our interpretation of data from preclinical studies and clinical trials or may require that we conduct additional studies;
- the applicable regulatory authorities may not accept data generated at our clinical trial sites;
- if we submit an NDA to the FDA or an MAA to the EMA, and it is reviewed by an advisory committee, the advisory committee may recommend against approval of our application or may recommend that the FDA or the EMA require, as a condition of approval, additional preclinical studies or clinical trials, limitations on approved labeling or distribution and use restrictions;
- the applicable regulatory authorities may require development of a risk evaluation and mitigation strategy, or REMS, as a condition of approval;
- the applicable regulatory authorities may change its approval policies or adopt new regulations;
- the applicable regulatory authorities may identify deficiencies in our formulation and manufacturing processes or facilities of our third-party manufacturers;
- we may face delays in our formulation and manufacturing process as a result of having not yet optimized formulations or due to lack of availability of starting materials;
- we may be unable to scale up the manufacture process for some of our product candidates;
- we may face challenges on the safe and appropriate administration of our drugs in the clinic, including with respect to the conversion of our product candidates from a dry powder formulation to a liquid formulation prior to intravenous, or IV, administration, precipitation or other blockages in IV infusion lines, and the handling and storage of the IV infusion bags containing our product candidates, any of which may result in the need to carry out additional studies on the administration and compatibility of our product candidates with infusion sets and pumps;
- we may be faced with challenges from third parties on our right to use certain processes used in the formulation and process development of our product candidates;
- we may have to defend our patents against infringement by third parties;
- we may unknowingly infringe third-party patents;
- we may face a “freedom to operate” issue;
- we will be dependent on the efforts of third parties in completing clinical trials of, receiving regulatory approval for and commercializing, any product candidate we license to such third parties;
- through our clinical trials, we may discover factors that limit the commercial viability of the product candidate or make their commercialization unfeasible;

- we may not be successful in completing preclinical studies and clinical trials of, receiving marketing approvals for, establishing commercial manufacturing capabilities for and commercializing, any product candidate to which we retain rights under a collaboration agreement; and
- we may not be successful in gaining acceptance of any product candidate by patients, the medical community and third-party payors, effectively competing with other therapies, maintaining a continued acceptable safety profile following approval and qualifying for, maintaining, enforcing and defending our intellectual property rights and claims.

With respect to each of Acelarin, NUC-3373 and NUC-7738, if we or our suppliers, as applicable, do not overcome one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize that product candidate.

We cannot be certain that Acelarin, NUC-3373 or NUC-7738 or any future product candidates will be successful in clinical trials or receive regulatory approval. Further, Acelarin, NUC-3373 or NUC-7738 or any future product candidates may not receive regulatory approval even if they are successful in clinical trials. If we do not receive regulatory approvals for Acelarin, NUC-3373 or NUC-7738 or any future product candidates, we may not be able to continue our operations. Even if we successfully obtain regulatory approvals to manufacture and market Acelarin, NUC-3373 or NUC-7738 or any future product candidates, our revenues will be dependent, in part, upon the size of the markets in the territories for which we gain regulatory approval and have commercial rights. If the markets for patient groups that we are targeting are not as significant as we estimate, we may not generate significant revenues from sales of such products, if approved.

We plan to seek regulatory approval to commercialize Acelarin, NUC-3373 and NUC-7738 in the United States and the European Union, and potentially in additional foreign countries. While the scope of regulatory approval is similar in many countries, to obtain separate regulatory approval in multiple countries requires us to comply with the numerous and varying regulatory requirements of such countries regarding safety and efficacy and governing, among other things, clinical trials, commercial sales, pricing and distribution of Acelarin, NUC-3373 and NUC-7738, and we cannot predict success in these jurisdictions.

Our lack of any approved products and our limited operating history may make it difficult for you to evaluate the success of our business to date and to assess our future viability.

Biopharmaceutical drug development is a highly speculative undertaking and involves a substantial degree of risk. Our operations to date have been limited to organizing and staffing our company, business planning, raising capital, developing our technology, identifying potential product candidates, undertaking preclinical studies, and conducting early-stage, non-comparative clinical trials of Acelarin and NUC-3373. We have not yet demonstrated our ability to successfully complete large-scale, randomized, pivotal clinical trials compared to standards of care, obtain marketing approvals, manufacture a commercial scale product, or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Typically, it takes several years to develop one new drug from the time it is discovered to when it is available for treating patients. In addition, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors. We will need to transition from a company with a research and development focus to a company capable of supporting commercial activities. We may not be successful in such a transition.

We will require substantial additional funding which may not be available to us on acceptable terms, or at all. If we fail to obtain additional financing, we may be unable to complete the development and commercialization of our product candidates or continue our development programs.

The development of pharmaceutical drugs is capital-intensive. We expect our expenses to increase with our ongoing activities, particularly as we conduct larger-scale clinical trials of, and seek marketing approval for, our

product candidates. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. We may also need to raise additional funds sooner if we choose to pursue additional indications or geographies for our product candidates or otherwise expand more rapidly than we presently anticipate. Furthermore, upon the closing of this offering, we expect to incur additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations.

As of June 30, 2017, we had £15.9 million in cash and cash equivalents. We believe, based upon our current operating plan, that, our cash and cash equivalents on hand, together with the anticipated net proceeds from this offering, will be sufficient to fund our anticipated operations at least through the first quarter of 2020. Our future capital requirements and the period for which we expect our existing resources to support our operations may vary significantly from what we expect. Our monthly spending levels vary based on new and ongoing research and development and other corporate activities. Because the length of time and activities associated with successful research and development of our product candidates is highly uncertain, we are unable to estimate the actual funds we will require for development and any approved marketing and commercialization activities. In addition, our future capital requirements will depend on many factors, and could increase significantly as a result of many factors, including:

- the scope, progress, results and costs of preclinical development, laboratory testing and clinical trials for our product candidates;
- the scope, prioritization and number of our research and development programs;
- the costs, timing and outcome of regulatory review of our product candidates;
- the extent to which we enter into non-exclusive, jointly funded clinical research collaboration arrangements, if any, for the development of our product candidates in combination with other companies' products;
- our ability to establish collaboration arrangements for the development of our product candidates on favorable terms, if at all;
- the achievement of milestones or occurrence of other developments that trigger payments under our license agreements and any collaboration agreements into which we may enter, if any;
- the extent to which we are obligated to reimburse, or entitled to reimbursement of, clinical trial costs under future collaboration agreements, if any;
- the extent to which we acquire or in-license product candidates and technologies, and the terms of such in-licenses;
- the costs of future commercialization activities, including product sales, marketing, manufacturing and distribution, for any of our product candidates for which we receive marketing approval;
- revenue, if any, received from commercial sales of our product candidates, should any of our product candidates receive marketing approval; and
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims.

Conducting preclinical studies and clinical trials is a time-consuming, expensive and uncertain process that can take years to complete, and we may never generate the necessary data or results required to obtain marketing approval and achieve product sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of products that may not be commercially available for several years, if ever. Accordingly, we will need to continue to rely on additional financing to achieve our business objectives.

Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize our product candidates. Volatility in the financial

markets has generally made equity and debt financing more difficult to obtain, and may compromise our ability to meet our fundraising needs. We cannot guarantee that future financing will be available in sufficient amounts or on terms acceptable to us, if at all.

If we are unable to obtain funding on a timely basis, we may be required to significantly curtail, delay or discontinue one or more of our research or development programs or the commercialization of any product candidate or be unable to expand our operations or otherwise capitalize on our business opportunities.

Raising additional capital may cause dilution to our shareholders, including purchasers of ADSs in this offering, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity and debt financings. The sale of additional equity or convertible debt securities would dilute all of our shareholders, including purchasers of ADSs in this offering. The incurrence of indebtedness could result in increased fixed payment obligations, and we may be required to agree to certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license intellectual property rights, limitations on declaring dividends and other operating restrictions that could adversely impact our ability to conduct our business. Moreover, the terms of any financing may adversely affect the holdings or the rights of our shareholders and the issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our ADSs to decline.

We could decide to seek funds through collaborations, strategic alliances or licensing arrangements with third parties, and we could be required to do so at an earlier stage than otherwise would be desirable. In connection with any such collaborations, strategic alliances or licensing arrangements, we may be required to relinquish valuable rights to our intellectual property, future revenue streams, research programs or product candidates, grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves, or otherwise agree to terms unfavorable to us.

We may be unable to use net operating loss and tax credit carryforwards and certain built-in losses to reduce future tax payments or benefit from favorable United Kingdom tax legislation.

As a United Kingdom resident company, we are subject to U.K. corporate taxation. We have generated losses since inception. As of June 30, 2017, we had cumulative carry forward tax losses of £8.5 million. Subject to any relevant restrictions, we expect these to be available to carry forward and offset against future operating profits. As a company that carries out extensive research and development activities, we benefit from the United Kingdom research and development tax credit regime for small and medium-sized companies, whereby we are able to surrender the trading losses that arise from our qualifying research and development activities for a payable tax credit of up to 33.35% of eligible research and development expenditures. Qualifying expenditures largely comprise employment costs for research staff, consumables and subcontract costs incurred as part of research projects. Certain subcontracted qualifying research expenditures are eligible for a cash rebate of up to 21.68%. The majority of our pipeline research, clinical trials management and manufacturing development activities are eligible for inclusion within these tax credit cash rebate claims. We may not be able to continue to claim payable research and development tax credits in the future as we become a public company because we may no longer qualify as a small or medium-sized company.

We may benefit in the future from the United Kingdom's "patent box" regime, which allows certain profits attributable to revenues from patented products to be taxed at an effective rate of 10%. As we have many different patents covering our products, future upfront fees, milestone fees, product revenues and royalties could be taxed at this favorably low tax rate. When taken in combination with the enhanced relief available on our research and development expenditures, we expect a long-term lower rate of corporation tax to apply to us. If, however, there are unexpected adverse changes to the United Kingdom research and development tax credit

regime or the "patent box" regime, or for any reason we are unable to qualify for such advantageous tax legislation, or we are unable to use net operating loss and tax credit carryforwards and certain built-in losses to reduce future tax payments then our business, results of operations and financial condition may be adversely affected.

Our business may become subject to economic, political, regulatory and other risks associated with international operations.

As a company based in the United Kingdom, our business is subject to risks associated with conducting business internationally. Many of our suppliers and collaborative and clinical trial relationships are located outside the United States. Accordingly, our future results could be harmed by a variety of factors, including:

- economic weakness, including inflation, or political instability in particular non-U.S. economies and markets;
- differing and changing regulatory requirements for drug approvals in non-U.S. countries;
- differing jurisdictions could present different issues for securing, maintaining or obtaining freedom to operate in such jurisdictions;
- potentially reduced protection for intellectual property rights;
- difficulties in compliance with non-U.S. laws and regulations;
- changes in non-U.S. regulations and customs, tariffs and trade barriers;
- changes in non-U.S. currency exchange rates of the pound sterling, the euro and currency controls;
- changes in a specific country's or region's political or economic environment, including the implications of the 2016 decision of the eligible members of the U.K. electorate for the United Kingdom to withdraw from the European Union or any potential future referendum regarding the independence of Scotland;
- trade protection measures, import or export licensing requirements or other restrictive actions by U.S. or non-U.S. governments;
- differing reimbursement regimes and price controls in certain non-U.S. markets;
- negative consequences from changes in tax laws;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- difficulties associated with staffing and managing international operations, including differing labor relations;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters including earthquakes, typhoons, floods and fires.

Exchange rate fluctuations may adversely affect our results of operations and financial condition.

Owing to the international scope of our operations, fluctuations in exchange rates, particularly between the pound sterling and the U.S. dollar, may adversely affect us. Since the vote of a majority of the eligible members of the electorate in the United Kingdom to withdraw from the European Union in a national referendum held on June 23, 2016, referred to as "BREXIT," there has been a significant increase in the volatility of the exchange rate between the pound sterling and the U.S. dollar and an overall weakening of the pound sterling. Although we are based in the United Kingdom, we source our active pharmaceutical ingredient, or API, and other raw

materials and our research and development, manufacturing, consulting and other services worldwide, including from the United States, the European Union and India. Any weakening of the pound sterling against the currencies of such other jurisdictions makes the purchase of such goods and services more expensive for us. Further, potential future revenue may be derived from abroad, particularly from the United States. As a result, our business and the price of our ADSs may be affected by fluctuations in foreign exchange rates not only between the pound sterling and the U.S. dollar, but also the currencies of other countries, which may have a significant impact on our results of operations and cash flows from period to period. Currently, we do not have any exchange rate hedging arrangements in place.

Risks Related to Development of Our Product Candidates

Initial success in the completed and ongoing early-stage clinical trials may not be indicative of results obtained when these trials are completed or in later stage trials.

Acelarin is currently being evaluated in four clinical trials across numerous solid tumor indications: one Phase 1b trial in combination with cisplatin in patients with biliary cancer, one Phase 1b trial in patients with platinum-sensitive ovarian cancer, one Phase 2 trial in patients with recurrent ovarian cancer, and one multi-year investigator-sponsored Phase 3 trial in patients with pancreatic cancer. While Acelarin has shown high disease control rates and a favorable tolerability profile in early-stage trials, including in two first-in-human dose-ranging Phase 1 trials, we may not see such favorable data in future clinical trials involving Acelarin. Similarly, favorable results obtained from preclinical studies of NUC-3373 and in the ongoing Phase 1 trial in patients with advanced solid tumors may not be replicated in any future clinical trials. In addition, data generated in these early stage Phase 1 trials are not the basis on which marketing approval by the FDA or a comparable foreign regulatory authority would be sought. Furthermore, the results of our clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for marketing approval. Statistical significance means that an effect is unlikely to have occurred by chance. Clinical trial results are considered statistically significant when the probability of the results occurring by chance, rather than from the efficacy of the product candidate, is sufficiently low. There can be no assurance that any of our clinical trials will ultimately be successful or support further clinical development of any of our product candidates. There is a high failure rate for drugs proceeding through clinical trials. A number of companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in clinical development even after achieving promising results in earlier studies.

Preliminary and interim data from our clinical trials may change as patient enrollment continues, patient data are further examined and more patient data become available.

Preliminary or interim data from our clinical trials, including those from the Phase 1b trial of Acelarin in combination with cisplatin in patients with biliary cancer, the Phase 1b trial of Acelarin in patients with platinum-sensitive ovarian cancer, the Phase 2 trial of Acelarin in patients with recurrent ovarian cancer, the multi-year investigator-sponsored Phase 3 trial of Acelarin in patients with pancreatic cancer, the Phase 1 trial of NUC-3373 in patients with advanced solid tumors, and any future clinical trials of any of product candidates, are not necessarily predictive of final results and may change. Preliminary and interim data are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues, patient data are further examined, more patient data become available, and we prepare and issue our final clinical study report. As a result, preliminary and interim data should be viewed with caution until the final data are available. Material adverse changes in the final data compared to the preliminary or interim data could significantly harm our business prospects.

We are very early in our development efforts. If we are unable to successfully develop and commercialize our product candidates or experience significant delays in doing so, our business will be harmed.

We currently do not have any products that have gained marketing approval. We have invested substantially all of our efforts and financial resources identifying and developing our ProTides, such as Acelarin, NUC-3373

and NUC-7738. Our ability to generate product revenues, which may not occur for several years, if ever, will depend on the successful development and eventual commercialization of Acelarin, for which two Phase 1b trials, one Phase 2 trial and one multi-year investigator-sponsored Phase 3 trial are ongoing, NUC-3373, for which one Phase 1 trial is ongoing, and NUC-7738, which is currently in preclinical development. We currently do not generate any revenues from sales of any products, and we may never be able to develop or commercialize a marketable drug. Each of our product candidates will require development, management of development and manufacturing activities, marketing approval in multiple jurisdictions, obtaining manufacturing supply, building of a commercial organization, substantial investment and significant marketing efforts before we generate any revenues from drug sales.

We have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical area. For example, to execute our business plan, we will need to successfully:

- execute development activities for our product candidates, including successful enrollment in and completion of clinical trials;
- manage our spending as costs and expenses increase due to preclinical development, clinical trials, marketing approvals and commercialization;
- obtain required marketing approvals for the development and commercialization of our product candidates;
- obtain and maintain patent and trade secret protection and regulatory exclusivity for our product candidates and ensure that we do not infringe the valid patent rights of third parties;
- protect, leverage and expand our intellectual property portfolio;
- establish and maintain clinical and commercial manufacturing capabilities or make arrangements with third-party manufacturers for clinical and commercial manufacturing;
- build and maintain robust sales, distribution and marketing capabilities, either on our own or in collaboration with strategic partners, if our product candidates are approved;
- gain acceptance for our product candidates, if approved, by patients, the medical community and third-party payors;
- compete effectively with other therapies;
- obtain and maintain healthcare coverage and adequate reimbursement;
- maintain a continued acceptable safety profile for our product candidates following approval, if approved; and
- develop and maintain any strategic relationships we elect to enter into, if any.

If we do not achieve one or more of these factors in a timely manner or at all, we could experience significant delays or an inability to successfully commercialize our product candidates, which would harm our business. If we do not receive marketing approvals for our product candidates, we may not be able to continue our operations.

If we experience delays or difficulties in the enrollment of patients in clinical trials, development of our product candidates may be delayed or prevented.

Identifying and qualifying patients to participate in clinical trials for our product candidates is critical to our success. We may not be able to initiate or continue clinical trials for our product candidates if we are unable to

locate and enroll a sufficient number of eligible patients to participate in these trials. Patient enrollment may be affected by many factors including:

- the severity of the disease under investigation;
- the size of the patient population for a product indication;
- the eligibility criteria for the clinical trial in question;
- the perceived risks and benefits of the product candidate under study;
- the efforts to facilitate timely enrollment in clinical trials;
- the patient referral practices of physicians;
- the availability of competing therapies and clinical trials; and
- the proximity and availability of clinical trial sites for prospective patients.

If we experience delays or difficulties in the enrollment of patients in clinical trials, our clinical trials may be delayed or terminated. Any delays in completing our clinical trials will increase our costs, delay or prevent our product candidate development and approval process, and jeopardize our ability to commence product sales and generate revenue.

Clinical drug development involves a lengthy and expensive process, with an uncertain outcome. We may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and may experience delays in obtaining, or ultimately be unable to obtain, the approval of our product candidates.

The risk of failure in drug development is high. Acelarin is currently being studied in two Phase 1b trials, one Phase 2 trial and one multi-year investigator-sponsored Phase 3 trial, NUC-3373 is currently being studied in one Phase 1 trial, and NUC-7738 is in preclinical development. Before obtaining marketing approval from regulatory authorities for the sale of any product candidate, we must complete preclinical development and conduct extensive clinical trials to demonstrate the safety and efficacy of our product candidates in patients. Clinical trials are expensive, difficult to design and implement and can take several years to complete, and their outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. Further, the results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials, and interim results of a clinical trial do not necessarily predict final results. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their products. It is impossible to predict when or if any of our product candidates will prove effective or safe in humans or will receive marketing approval.

We may experience numerous unforeseen events during, or as a result of, clinical trials that could delay or prevent our ability to receive marketing approval or commercialize our product candidates. Clinical trials may be delayed, suspended or prematurely terminated because costs are greater than we anticipate or for a variety of reasons, such as:

- delay or failure in reaching agreement with the FDA, the EMA or a comparable foreign regulatory authority on a trial design that we are able to execute;
- delay or failure in obtaining authorization to commence a trial or inability to comply with conditions imposed by a regulatory authority regarding the scope or design of a clinical trial;
- delays in reaching, or failure to reach, agreement on acceptable terms with prospective trial sites and prospective CROs, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;

- inability, delay, or failure in identifying and maintaining a sufficient number of trial sites, many of which may already be engaged in other clinical programs;
- delay or failure in recruiting and enrolling suitable subjects to participate in a trial;
- delay or failure in having subjects complete a trial or return for post-treatment follow-up;
- clinical sites and investigators deviating from the clinical protocol, failing to conduct the trial in accordance with regulatory requirements, or dropping out of a trial;
- failure to initiate or delay of or failure to complete a clinical trial as a result of an Investigational New Drug Application, or IND, being placed on clinical hold by the FDA, or for other reasons;
- lack of adequate funding to continue a clinical trial, including unforeseen costs due to enrollment delays, requirements to conduct additional clinical trials and increased expenses associated with the services of our CROs and other third parties;
- clinical trials of our product candidates may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional clinical trials or abandon product development programs;
- the number of patients required for clinical trials of our product candidates may be larger than we anticipate, enrollment in these clinical trials may be slower than we anticipate or participants may drop out of these clinical trials at a higher rate than we anticipate;
- our third-party contractors may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- regulators, or a Data Safety Monitoring Board, or DSMB, if one is used for our clinical trials, may require that we suspend or terminate our clinical trials for various reasons, including noncompliance with regulatory requirements, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, or a finding that the participants are being exposed to unacceptable health risks;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials of our product candidates may be insufficient;
- the FDA or other regulatory authorities may require us to submit additional data or impose other requirements before permitting us to initiate a clinical trial; or
- there may be changes in governmental regulations or administrative actions.

Many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of marketing approval for our product candidates. The FDA may disagree with our clinical trial design and our interpretation of data from clinical trials, or may change the requirements for approval even after it has reviewed and commented on the design for our clinical trials. Even though Acelarin and NUC-3373 are transformations of chemotherapeutic agents that have been widely used for many years and there is a clear unmet medical need in each of the indications that we are currently pursuing in the clinic, there can be no assurance that the FDA will permit us to move more quickly to the initiation of pivotal clinical trials in large patient populations. Furthermore, NUC-7738 is a transformation of cordycepin, a nucleoside analog that has never been successfully developed or approved as a chemotherapy, which may result in the need for more preclinical studies or clinical trials than would be the case for transformations of approved chemotherapeutic agents.

If we are required to conduct additional clinical trials or other studies of our product candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our product candidates or other studies, if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, we may:

- be delayed in obtaining marketing approval for our product candidates;

- not obtain marketing approval for our product candidates at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings that would reduce the potential market for our products or inhibit our ability to successfully commercialize our products;
- be subject to additional post-marketing restrictions or requirements, including confirmatory trials; or
- have the product removed from the market after obtaining marketing approval.

Our product development costs will also increase if we experience delays in preclinical and clinical development or receiving the requisite marketing approvals. We do not know whether any of our preclinical studies or clinical trials will need to be restructured or will be completed on schedule, or at all. Significant preclinical or clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our product candidates and may harm our business and results of operations.

Due to our limited resources and access to capital, we must, and have in the past decided to, prioritize development of certain ProTide candidates over other potential candidates. These decisions may prove to have been wrong and may adversely affect our performance.

Because we have limited resources and access to capital to fund our operations, we must decide which ProTides to pursue and the amount of resources to allocate to each. Our decisions concerning the allocation of research, collaboration, management and financial resources toward particular ProTides or therapeutic areas may not lead to the development of viable commercial products and may divert resources away from better opportunities. Similarly, our decisions to delay, terminate or collaborate with third parties in respect of product development programs may also prove not to be optimal and could cause us to miss valuable opportunities. If we make incorrect determinations regarding the market potential of our ProTides or misread trends in the biopharmaceutical industry, in particular for our lead ProTides, then our business may be adversely affected.

We may not be successful in our efforts to use and expand our technology platform to build a pipeline of additional ProTide candidates.

A key element of our strategy is to use and expand our proprietary ProTide technology to build a pipeline of additional ProTide candidates and progress these ProTide candidates through clinical development for the treatment of cancer. Although our research and development efforts to date have resulted in a pipeline of ProTide candidates directed at the treatment of many solid tumors and hematological malignancies, we may not be able to develop ProTide candidates that are safe and effective. Even if we are successful in continuing to build our pipeline, the potential product candidates that we identify may not be suitable for clinical development, including as a result of being shown to have harmful side effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval and achieve market acceptance.

Risks Related to Marketing Approval of Our Product Candidates

If we are not able to obtain, or if there are delays in obtaining, required marketing approvals, we will not be able to commercialize our product candidates and our ability to generate revenue will be impaired.

Our product candidates and the activities associated with their development and commercialization, including their design, testing, manufacture, safety, efficacy, recordkeeping, labeling, storage, approval, advertising, promotion, sale, distribution, import and export are subject to comprehensive regulation by the FDA and other regulatory agencies in the United States and by comparable authorities in other countries.

These requirements include submissions of safety and other post-marketing information and reports, registration and listing requirements, current good manufacturing practice, or cGMP, requirements relating to manufacturing, quality control, quality assurance and corresponding maintenance of records and documents, including periodic inspections by FDA and other regulatory authorities, requirements regarding the distribution of samples to physicians and recordkeeping. Before we can commercialize any of our product candidates, each such product candidate must be approved by the FDA pursuant to an NDA in the United States, by the EMA pursuant to a MAA in the European Union, and by similar regulatory authorities outside the United States prior to commercialization.

The process of obtaining marketing approvals, both in the United States and abroad, is expensive and takes several years, if approval is obtained at all, and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. Failure to obtain marketing approval for a product candidate will prevent us from commercializing the product candidate. We have not received approval to market any of our product candidates from regulatory authorities in any jurisdiction. We have limited experience in planning and conducting the clinical trials required for marketing approvals, and we expect to rely on third-party contract research organizations, or CROs, to assist us in this process. Obtaining marketing approval requires the submission of extensive preclinical and clinical data and supporting information to regulatory authorities for each therapeutic indication to establish the product candidate's safety and efficacy. Securing marketing approval also requires the submission of information about the product manufacturing process, and in many cases the inspection of manufacturing facilities by the regulatory authorities. Our product candidates may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude our obtaining marketing approval or prevent or limit commercial use. Because a number of our clinical trials will be in combination with other approved therapies, there may also be undesirable or unintended side effects, toxicities or other characteristics resulting from the other therapy or from its combination with our product candidate. In addition, because our product candidates are transformations of nucleoside analogs, including those that are approved chemotherapeutic agents and those that have never been approved as chemotherapeutic agents, our product candidates could be negatively impacted by the identification of any new undesirable or unintended side effects, toxicities or other characteristics in such existing nuceloside analogs, in particular in those that have never been approved as chemotherapeutic agents. Although we use the proprietary name Acelarin for our product candidate NUC-1031, we have not obtained any conditional approval of this proprietary name and any goodwill or recognition that we accrue during development of the product candidate may be lost if we are required to select a different proprietary name in the course of obtaining regulatory approval, if such approval occurs at all.

Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical studies or clinical trials. Our product candidates could be delayed in receiving, or fail to receive, marketing approval for many reasons, including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials or require that we perform additional clinical trials, including toxicology trials;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for its proposed indication;
- the results of our clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for marketing approval;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;

- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of an NDA or other submission to obtain marketing approval in the United States or elsewhere;
- third-party manufacturers or our clinical or commercial product candidates may be unable to meet the FDA's cGMP requirements or similar requirements of foreign regulatory authorities; and
- the approval requirements or policies of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval.

In addition, even if we were to obtain approval, regulatory authorities may approve our product candidates for fewer or more limited indications than we request, may grant approval contingent on the performance of costly post-marketing clinical trials, or may approve a product candidate with a label that does not include the labeling claims necessary or desirable for the successful commercialization of that product candidate. Any of the foregoing scenarios could harm the commercial prospects for our product candidates.

If we experience delays in obtaining approval or if we fail to obtain approval of our product candidates, the commercial prospects for our product candidates may be harmed and our ability to generate revenues will be impaired.

Our product candidates may cause undesirable side effects that could delay or prevent their marketing approval, limit the commercial profile of an approved label, or result in significant negative consequences following marketing approval, if any.

Undesirable side effects caused by our product candidates could cause us or the FDA or other regulatory authorities to interrupt, delay or halt our clinical trials and could result in more restrictive labels or the delay or denial of marketing approval by the FDA or other regulatory authorities of our product candidates. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of these or other side effects. In such an event, our trials could be suspended or terminated and the FDA or comparable foreign regulatory authorities could order us to cease further development of or deny approval of our product candidates for any or all targeted indications. The drug-related side effects could also affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims.

Further, clinical trials by their nature utilize a sample of the potential patient population. With a limited number of patients, rare and severe side effects of our product candidates may only be uncovered with a significantly larger number of patients exposed to the product candidate. If our product candidates receive marketing approval and we or others identify undesirable side effects caused by such product candidates or any other similar drugs after such approval, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw or limit their approval of such product candidates;
- regulatory authorities may require the addition of labeling statements, such as a "boxed" warning or a contraindication;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- we may be required to change the way such product candidates are distributed or administered, conduct additional clinical trials or change the labeling of the product candidates;
- regulatory authorities may require a REMS plan to mitigate risks, which could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools;
- we may be subject to regulatory investigations and government enforcement actions;

- we may decide to remove such product candidates from the marketplace after they are approved;
- we could be sued and held liable for injury caused to individuals exposed to or taking our product candidates; and
- our reputation may suffer.

In addition, the patient profile in the indications for which we are currently developing our product candidates, with many patients already seriously ill at the time of initiation of treatment, may result in an increased risk of claims that undesirable side effects or poor prognoses or outcomes are related to our product candidates. Regardless of whether or not such side effects or prognoses or outcomes are ultimately determined to be related to our product candidates, the claims themselves could result in some or all of the foregoing negative consequences.

We believe that any of these events could prevent us from achieving or maintaining market acceptance of the affected product candidates and could substantially increase the costs of commercializing our product candidates, if approved, and significantly impact our ability to successfully commercialize our product candidates and generate revenues.

A Fast Track Designation by the FDA, even if granted for any of our product candidates, may not lead to a faster development or regulatory review or approval process and does not increase the likelihood that our product candidates will receive marketing approval.

We do not currently have Fast Track Designation for any of our product candidates but may seek such designation. If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical needs for this condition, the drug sponsor may apply for FDA Fast Track Designation. The FDA has broad discretion whether to grant this designation. Even if we believe a particular product candidate is eligible for this designation, we cannot assure you that the FDA would decide to grant it. Even if we do receive Fast Track Designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures. The FDA may withdraw Fast Track Designation if it believes that the designation is no longer supported by data from our clinical development program. Many drugs that have received Fast Track Designation have failed to obtain drug approval.

We may be unable to obtain orphan drug designation from the FDA for any of our product candidates, and even if we do obtain such designations, we may be unable to obtain or maintain the benefits associated with orphan drug designation, including the potential for orphan drug exclusivity.

Under the Orphan Drug Act, the FDA may designate a product as an orphan drug if it is intended to treat a rare disease or condition, defined as one occurring in a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the United States. In the European Union, the EMA's Committee for Orphan Medicinal Products, or COMP, grants orphan drug designation to promote the development of products that are intended for the diagnosis, prevention or treatment of a life-threatening or chronically debilitating condition affecting not more than five in 10,000 persons in the European Union. Additionally, designation is granted for products intended for the diagnosis, prevention or treatment of a life-threatening, seriously debilitating or serious and chronic condition when, without incentives, it is unlikely that sales of the drug in the European Union would be sufficient to justify the necessary investment in developing the drug or biological product or where there is no satisfactory method of diagnosis, prevention or treatment, or, if such a method exists, the medicine must be of significant benefit to those affected by the condition.

In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax credits for qualified clinical testing and user-fee waivers. In addition, if a product receives the first FDA approval of that drug for the indication for which it has orphan

designation, the product is entitled to orphan drug exclusivity, which means the FDA may not approve any other application to market the same drug for the same indication for a period of seven years, except in limited circumstances, such as a showing of clinical superiority over the product with orphan exclusivity or where the manufacturer is unable to assure the availability of sufficient quantities of the orphan drug to meet the needs of patients with the rare disease or condition. Under the FDA's regulations, the FDA will deny orphan drug exclusivity to a designated drug upon approval if the FDA has already approved another drug with the same active ingredient for the same indication, unless the drug is demonstrated to be clinically superior to the previously approved drug. In the European Union, orphan drug designation entitles a party to financial incentives such as reduction of fees or fee waivers and ten years of market exclusivity following approval. This period may be reduced to six years if the orphan drug designation criteria are no longer met, including where it is shown that the product is sufficiently profitable not to justify maintenance of market exclusivity.

We do not currently have orphan drug designation for any of our product candidates but may seek such designation. Even if we are able to obtain orphan designation for one or more of our product candidates in the United States or the European Union, we may not be the first to obtain marketing approval for any particular orphan indication due to the uncertainties associated with developing pharmaceutical products, which could prevent us from marketing such product candidate if another company is able to obtain orphan drug exclusivity before we do. In addition, exclusive marketing rights in the United States may be unavailable if we seek approval for an indication broader than the orphan-designated indication or may be lost if the FDA later determines that the request for designation was materially defective or if we are unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition following approval. Further, even if we obtain orphan drug exclusivity for one or more of our ProTides, that exclusivity may not effectively protect them from competition because different drugs with different active moieties can be approved for the same condition. In addition, the FDA or the EMA can subsequently approve products with the same active moiety for the same condition if the FDA or the EMA concludes that the later drug is safer, more effective, or makes a major contribution to patient care. Orphan drug designation neither shortens the development time or regulatory review time of a drug nor gives the drug any advantage in the regulatory review or approval process. In addition, while we may seek orphan drug designation for one or more of our product candidates, we may never receive such designations.

There have been legal challenges to aspects of the FDA's regulations and policies concerning the exclusivity provisions of the Orphan Drug Act, and future challenges could lead to changes that affect the protections afforded our products in ways that are difficult to predict. In 2014, a U.S. district court invalidated the FDA's denial of orphan exclusivity to an orphan designated drug, which the FDA had based on its determination that the drug was not proven to be clinically superior to a previously approved "same drug." In response to the decision, the FDA released a policy statement stating that the court's decision is limited just to the facts of that particular case and that the FDA will continue to deny orphan drug exclusivity to a designated drug upon approval if the drug is the "same" as a previously approved drug, unless the drug is demonstrated to be clinically superior to that previously approved drug. In April 2016, another similar legal challenge was initiated against the FDA for its denial of orphan drug exclusivity to another designated drug. In the future, there is the potential for additional legal challenges to the FDA's orphan drug regulations and policies, and it is uncertain how ongoing and future challenges might affect our business.

Any product candidate for which we obtain marketing approval will be subject to extensive post-marketing regulatory requirements and could be subject to post-marketing restrictions or withdrawal from the market, and we may be subject to penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with our products, when and if any of them are approved.

If the FDA or a comparable foreign regulatory authority approves any of our product candidates, activities such as the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the product will be subject to extensive and ongoing regulatory requirements. The FDA or a comparable foreign regulatory authority may also impose requirements for costly post-marketing preclinical studies or clinical trials and surveillance to monitor the safety or efficacy of the

product. The FDA closely regulates the post-approval marketing and promotion of drugs to ensure drugs are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding use of their products, and if we promote our products beyond their approved indications, we may be subject to enforcement actions or prosecution arising from that off-label promotion. Violations of the Federal Food, Drug, and Cosmetic Act relating to the promotion of prescription drugs may lead to investigations alleging violations of federal and state healthcare fraud and abuse and other laws, as well as state consumer protection laws.

In addition, later discovery of previously unknown adverse events or other problems with our products, manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may yield various results, including:

- restrictions on such products, manufacturers or manufacturing processes;
- restrictions on the labeling or marketing of a product;
- restrictions on product distribution or use;
- requirements to conduct post-marketing studies or clinical trials;
- warning or untitled letters;
- withdrawal of the products from the market;
- refusal to approve pending applications or supplements to approved applications that we submit;
- recall of products;
- fines, restitution or disgorgement of profits or revenues;
- suspension or withdrawal of marketing approvals;
- refusal to permit the import or export of our products;
- product seizure; or
- injunctions or the imposition of civil or criminal penalties.

Non-compliance with European Union requirements regarding safety monitoring or pharmacovigilance can also result in significant financial penalties. Similarly, failure to comply with the European Union's requirements regarding the protection of personal information can also lead to significant penalties and sanctions.

The FDA's policies may change and additional government regulations may be enacted that could prevent, limit or delay marketing approval of our product candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained.

Our relationships with customers and third-party payors will be subject to applicable anti-kickback, fraud and abuse and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm and diminished profits and future earnings.

Although we do not currently have any drugs on the market, once we begin commercializing our product candidates, we will be subject to additional healthcare statutory and regulatory requirements and enforcement by the U.S. federal and state governments and the foreign governments in the jurisdictions in which we conduct our business. Healthcare providers, physicians and third-party payors will play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our future arrangements with third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which

we market, sell and distribute any products for which we obtain marketing approval. Restrictions under applicable U.S. federal and state healthcare laws and regulations include the following:

- the federal Anti-Kickback Statute prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or paying remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under a federal healthcare program such as Medicare and Medicaid; a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- the federal false claims laws, including, without limitation, the civil False Claims Act (which can be enforced by private citizens through qui tam actions), impose criminal and civil penalties against individuals or entities for knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government; in addition, the government may assert that a claim including items and services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act;
- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, imposes criminal and civil liability for executing a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement in connection with the delivery of or payment for healthcare benefits, items or services; similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- the federal physician payment transparency requirements under the Physician Payments Sunshine Act, created under the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the ACA, require manufacturers of drugs, devices, biologics and medical supplies that are reimbursable under Medicare, Medicaid, or the Children's Health Insurance Program to report to the Centers for Medicare & Medicaid Services, or CMS, information related to payments and other transfers of value to physicians and teaching hospitals and the ownership and investment interests of physicians and their immediate family members in such manufacturers;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations, which also imposes obligations on certain covered entity healthcare providers, health plans, and healthcare clearinghouses as well as their business associates that perform certain services involving the use or disclosure of individually identifiable health information, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;
- some state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government and may require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; and
- state and foreign laws that govern the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

Analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers.

Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that

our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion of our products from government funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, reputational harm, and the curtailment or restructuring of our operations. In addition, if any of the physicians or other healthcare providers or entities with whom we expect to do business is found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs.

Current and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our product candidates and affect the prices we may obtain.

In the United States and some foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any product candidates for which we obtain marketing approval.

In the United States, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or the MMA, changed the way Medicare covers and pays for pharmaceutical products. The legislation expanded Medicare coverage for drug purchases by the elderly and certain disabled people by establishing the Medicare Part D Program and introduced a reimbursement methodology based on average sales prices for physician-administered drugs. In addition, this law provided authority for Medicare Part D plans to limit the number of drugs covered in any therapeutic class. Cost reduction initiatives and other provisions of this law and future laws could decrease the coverage and price that we will receive for any approved products. While the MMA only applies to drug benefits for Medicare beneficiaries, private payors often follow Medicare coverage policy and payment limitations in setting their own payment rates. Therefore, any limitations in reimbursement that results from the MMA may result in reductions in payments from private payors.

In March 2010, the ACA became law. The ACA is a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for the healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. Among the provisions of the ACA of importance to our potential product candidates are the following:

- an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic products;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program;
- expansion of healthcare fraud and abuse laws, including the civil False Claims Act and the federal Anti-Kickback Statute, new government investigative powers, and enhanced penalties for noncompliance;
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts off negotiated prices;
- extension of manufacturers' Medicaid rebate liability;
- expansion of eligibility criteria for Medicaid programs;
- expansion of the entities eligible for discounts under the Public Health Service Act's pharmaceutical pricing program;
- new requirements to report financial arrangements with physicians and teaching hospitals;

- a new requirement to annually report drug samples that manufacturers and distributors provide to physicians; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

The current administration supports a repeal of the ACA and an Executive Order has been signed commanding federal agencies to try to waive or delay requirements of the ACA that impose economic or regulatory burdens on states, families, the health-care industry and others. The Executive Order also declares that the administration will seek the "prompt repeal" of the law and that the government should prepare to "afford the States more flexibility and control to create a more free and open healthcare market." In addition, following the passage of the budget resolution for fiscal year 2017, the U.S. House of Representatives passed legislation known as the American Health Care Act, which, if enacted, would have amended or repealed significant portions of the ACA. More recently, the Senate Republicans introduced and then updated a bill to replace the ACA known as the Better Care Reconciliation Act of 2017. The Senate Republicans also introduced legislation to repeal the ACA without companion legislation to replace it, and a "skinny" version of the Better Care Reconciliation Act of 2017. Each of these measures was rejected by the full Senate. Congress will likely consider other legislation to replace elements of the ACA. At this time, we cannot know how any legislation that may be passed to amend or replace the ACA will impact our business in the United States.

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. These new laws may result in additional reductions in Medicare and other healthcare funding. For example, as a result of the Budget Control Act of 2011, providers are subject to Medicare payment reductions of 2% per fiscal year through 2025 unless additional Congressional action is taken. In addition, the American Taxpayer Relief Act of 2012 reduced Medicare payments to several providers and increased the statute of limitations period for the government to recover overpayments from providers from three to five years. Further, there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which have resulted in several recent Congressional inquiries and proposed federal and state legislation designed to, among other things, bring more transparency to product pricing, contain the cost of drugs, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products.

We expect that the ACA, as well as other healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we will receive for any approved product. Any reduction in payments from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize any of our products for which we receive marketing approval.

Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed or what the impact of such changes on the marketing approvals, if any, of our product candidates, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing conditions and other requirements.

Our future growth may depend, in part, on our ability to penetrate foreign markets, where we would be subject to additional regulatory burdens and other risks and uncertainties.

Our future profitability may depend, in part, on our ability to commercialize our product candidates in foreign markets. In order to market and sell our products in the European Union and many other jurisdictions, we

or our third-party collaborators must obtain separate marketing approvals and comply with numerous and varying regulatory requirements. The approval procedure varies among countries and economic areas and can involve additional testing. The time required to obtain approval may differ substantially from that required to obtain FDA approval. The marketing approval process outside the United States generally includes all of the risks associated with obtaining FDA approval. In addition, in many countries outside the United States, it is required that the product be approved for reimbursement before the product can be approved for sale in that country. We or these third parties may not obtain approvals from regulatory authorities outside the United States on a timely basis, if at all. Approval by the FDA does not ensure approval by regulatory authorities in other countries or jurisdictions, and approval by one regulatory authority outside the United States does not ensure approval by regulatory authorities in other countries or jurisdictions or by the FDA. Additionally, a failure or delay in obtaining marketing approval in one jurisdiction may have a negative effect on the marketing approval process in others. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the United States, including additional preclinical studies or clinical trials. Obtaining foreign marketing approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of our products in certain countries. If we fail to comply with the regulatory requirements in international markets or receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential of our product candidates will be harmed.

We may not be able to file for marketing approvals and may not receive necessary approvals to commercialize our products in any market. If we obtain approval of our product candidates and ultimately commercialize our product candidates in foreign markets, we would be subject to additional risks and uncertainties, including:

- our customers' ability to obtain reimbursement for our product candidates in foreign markets;
- our inability to directly control commercial activities because we are relying on third parties;
- the burden of complying with complex and changing foreign regulatory, tax, accounting and legal requirements;
- different medical practices and customs in foreign countries affecting acceptance in the marketplace;
- import or export licensing requirements;
- longer accounts receivable collection times;
- longer lead times for shipping;
- language barriers for technical training;
- reduced or no protection on pharmaceutical products or their use in some foreign countries;
- the unwillingness of courts in some foreign jurisdictions to enforce patents even when valid and infringed in that country;
- the possibility of pre-grant or post-grant review proceedings in certain foreign countries that allow a petitioner to hold up patent rights for an extended period or permanently by challenging the patent filing at the patent office of that country;
- the possibility of a compulsory license issued by a foreign country that allows a third-party entity or a government to manufacture, use or sell our products with a government-set low royalty to us;
- the existence of additional potentially relevant third-party intellectual property rights;
- foreign currency exchange rate fluctuations;
- an increase in restrictions on trade or other protectionist measures; and
- the interpretation of contractual provisions governed by foreign laws in the event of a contract dispute.

Foreign sales of our product candidates could also be adversely affected by the imposition of governmental controls, political and economic instability, trade restrictions and changes in tariffs.

Governments outside the United States tend to impose strict price controls, which may adversely affect our revenues, if any.

In some countries, particularly the countries of the European Union, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies. If reimbursement of our products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our financial results would suffer.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could harm our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and the amount of the liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties for failure to comply with such laws and regulations.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against other potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological, hazardous or radioactive materials.

In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our discovery, preclinical development or production efforts. Our failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Risks Related to Our Dependence on Third Parties

We rely on, and expect to continue to rely on, third parties to conduct our clinical trials for our product candidates. If these third parties do not successfully carry out their contractual duties, comply with regulatory requirements or meet expected deadlines, we may not be able to obtain marketing approval for or commercialize our product candidates, and our business could be substantially harmed.

We do not have the ability to independently conduct clinical trials. We rely on medical institutions, clinical investigators, contract laboratories and other third parties, such as CROs, to conduct or otherwise support clinical trials for our product candidates. We expect to rely heavily on these parties for performance of clinical trials for our product candidates. Nevertheless, we will be responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards.

We, our investigators, and our CROs will be required to comply with regulations, including good clinical practice, or GCP, and other related requirements for conducting, monitoring, recording and reporting the results

of clinical trials to ensure that the data and results are scientifically credible and accurate, and that the trial patients are adequately informed of the potential risks of participating in clinical trials and their rights are protected. These regulations are enforced by the FDA, the Competent Authorities of the Member States of the European Economic Area and comparable foreign regulatory authorities for any drugs in clinical development. The FDA enforces GCPs through periodic inspections of clinical trial sponsors, principal investigators and trial sites. If we, our investigators or our CROs fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be called into question and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before considering our marketing applications for approval. We cannot assure you that, upon inspection, the FDA will determine that any of our future clinical trials will comply with GCPs.

In addition, our clinical trials must be conducted with product candidates produced under cGMPs. Our failure or the failure of our investigators or CROs to comply with these requirements may require us to repeat clinical trials, which would delay the marketing approval process and could also subject us to enforcement action. We also are required to register certain clinical trials and post the results of such completed clinical trials involving product candidates for which we receive marketing approval on a government-sponsored database, ClinicalTrials.gov, within certain timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions.

Although we intend to design the clinical trials for our product candidates, CROs will administer all of the clinical trials. As a result, many important aspects of our development programs, including their conduct and timing, will be outside of our direct control. Our reliance on third parties to conduct future clinical trials will also result in less direct control over the management of data developed through clinical trials than would be the case if we were relying entirely upon our own staff. Communicating with outside parties can also be challenging, potentially leading to mistakes as well as difficulties in coordinating activities. Outside parties may:

- have staffing difficulties;
- fail to comply with contractual obligations;
- experience regulatory compliance issues;
- undergo changes in priorities or become financially distressed;
- make errors in the design, management or retention of our data or data systems; or
- form relationships with other entities, some of which may be our competitors.

These factors may adversely affect the willingness or ability of third parties to conduct our clinical trials and may subject us to unexpected cost increases that are beyond our control. If the CROs do not perform clinical trials in a satisfactory manner, breach their obligations to us or fail to comply with regulatory requirements, the development, marketing approval and commercialization of our product candidates may be delayed, we may not be able to obtain marketing approval and commercialize our product candidates, or our development program may be irreversibly harmed. If we are unable to rely on clinical data collected by our CROs, we could be required to repeat, extend the duration of, or increase the size of any clinical trials we conduct and this could significantly delay commercialization and require significantly greater expenditures.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, any clinical trials such CROs are associated with may be extended, delayed or terminated and we may not be able to obtain marketing approval for or successfully commercialize our product candidates. As a result, we believe that our financial results and the commercial prospects for our product candidates in the subject indication would be harmed, our costs could increase and our ability to generate revenue could be delayed.

We contract with third parties for the manufacture and shipment of our product candidates for preclinical studies and clinical trials and expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or drugs or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

We do not currently own or operate, nor do we have any plans to establish in the future, any manufacturing facilities or personnel. We rely, and expect to continue to rely, on third parties for the manufacture and shipment of our product candidates for preclinical studies and clinical trials, as well as for the commercial manufacture of our drugs if any of our product candidates receive marketing approval. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or drugs or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts.

The facilities used to manufacture our product candidates must be evaluated by the FDA pursuant to inspections that will be conducted after we submit our marketing applications to the FDA to ensure compliance with cGMP. We do not control the manufacturing and shipment process of, and will be completely dependent on, our contract manufacturers for compliance with cGMPs in connection with the manufacture and shipment of our product candidates. If our contract manufacturers cannot successfully manufacture and ship material that conforms to our specifications and the regulatory requirements of the FDA or others, we will not be able to use the products produced at their manufacturing facilities. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or a comparable foreign regulatory authority finds that these facilities do not comply with cGMP, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain marketing approval for or market our product candidates, if approved. Further, our failure, or the failure of our third-party manufacturers, to comply with these or other applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or drugs, if approved, operating restrictions and criminal prosecutions.

We may be unable to establish any agreements with third-party manufacturers or do so on acceptable terms. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- reliance on the third party for regulatory compliance and quality assurance;
- the possible breach of the manufacturing agreement by the third party;
- the possible misappropriation of our proprietary information, including our trade secrets and know-how; and
- the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

Our product candidates and any other drugs that we may develop may compete with other product candidates and approved drugs for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us.

Any performance failure on the part of our existing or future manufacturers could delay clinical development or marketing approval. If our current contract manufacturers cannot perform as agreed, we may be required to replace such manufacturers. Although we believe that there are several potential alternative manufacturers who could manufacture our product candidates, we may incur added costs and delays in identifying and qualifying any such replacement.

Our current and anticipated future dependence upon others for the manufacture and shipment of our product candidates or drugs may adversely affect our future profit margins and our ability to commercialize any drugs that receive marketing approval on a timely and competitive basis.

We, or our third-party manufacturers, may be unable to successfully scale-up manufacturing of our product candidates in sufficient quality and quantity, which would delay or prevent us from developing our product candidates and commercializing approved products, if any.

In order to conduct large-scale clinical trials of our product candidates, we will need to manufacture them in large quantities. We, or any of our manufacturing partners, may be unable to successfully increase the manufacturing capacity for any of our product candidates in a timely or cost-effective manner, or at all. In addition, quality issues may arise during scale-up activities. If we, or any manufacturing partners, are unable to successfully scale up the manufacture of our product candidates in sufficient quality and quantity, the development, testing, and clinical trials of that product candidate may be delayed or infeasible, and regulatory approval or commercial launch of any resulting product may be delayed or not obtained, which could significantly harm our business.

The third parties upon which we rely for the supply of the active pharmaceutical ingredients, formulations, and drug products are our sole sources of supply and have limited capacity, and the loss of any of these suppliers could harm our business.

The API, formulations and drug products for our product candidates are supplied to us from single-source suppliers with limited capacity. Our ability to successfully develop our product candidates, and to ultimately supply our commercial drugs in quantities sufficient to meet the market demand, depends in part on our ability to obtain the API, formulations and drug products in accordance with cGMP requirements and in sufficient quantities for commercialization and clinical trials. We do not currently have arrangements in place for a redundant or second-source supply of any such API, formulation or drug product in the event any of our current suppliers cease their operations for any reason.

We do not know whether our suppliers will be able to meet our demand, either because of the nature of our agreements with those suppliers, our limited experience with those suppliers or our relative importance as a customer to those suppliers. It may be difficult for us to assess their ability to timely meet our demand in the future based on past performance. While our suppliers have generally met our demand for their products on a timely basis in the past, they may subordinate our needs in the future to their other customers.

For all of our product candidates, we intend to identify and qualify additional manufacturers to provide API, formulations and drug products prior to submission of an NDA to the FDA or an MAA to the EMA. Establishing additional or replacement suppliers for the API, formulations and drug products for our product candidates, if required, may not be accomplished quickly. If we are able to find a replacement supplier, such replacement supplier would need to be qualified, or we may have to perform comparative studies comparing the drug product from a new manufacturer to the product used in any completed clinical trials. All of this may require additional marketing approval, which could result in further delay. While we seek to maintain adequate inventory of the API, formulations and drug products for our product candidates, any interruption or delay in the supply of components or materials, or our inability to obtain such API, formulation and drug product from alternate sources at acceptable prices in a timely manner could impede, delay, limit or prevent our development efforts.

We have entered into, and may in the future enter into, collaborations with third parties to discover or develop product candidates. If these collaborations are not successful, our business could be adversely affected.

We have entered into a research, collaboration and license agreement with Cardiff University and University College Cardiff Consultants Ltd., or Cardiff Consultants, for the design, synthesis, characterization and evaluation of ProTides, with the results of such research assigned to us and other intellectual property of Cardiff University and Cardiff Consultants exclusively licensed to us for use for all purposes related to selected ProTides and the nucleoside family of the selected ProTides. We are significantly reliant on this collaboration for the generation of additional potential product candidates and on the scientists employed by Cardiff University and

Cardiff Consultants to perform such research. We have limited control over the amount and timing of resources that our collaborators dedicate to the development of ProTides and our ability to generate potential additional ProTides from these arrangements will depend on our and our collaborators' abilities to successfully perform the functions assigned to each of us in these arrangements. In addition, our collaborators have the ability to abandon research or development projects and terminate applicable agreements. If we breach any of our obligations under this agreement, Cardiff University and Cardiff Consultants may have the right to terminate the agreement, which would result in a significant reduction in our ability to develop additional ProTides, and in our being unable to develop, manufacture and sell products that are covered by the licensed intellectual property, or in a competitor's gaining access to the licensed intellectual property. Our agreement will expire at the end of 2017. Although we anticipate extending the agreement beyond its expiration, there can be no assurance that we will be successful in doing so. Any expiration of this agreement could also result in a significant reduction in our ability to develop additional ProTides.

We may potentially enter into additional collaborations with third parties in the future. Our collaboration with Cardiff University and Cardiff Consultants, and any future collaborations we enter into in the future, may pose several risks, including the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not perform their obligations as expected;
- the clinical trials conducted as part of, or as a result of, these collaborations may not be successful;
- collaborators may not pursue development or commercialization of any product candidates that achieve regulatory approval or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborators' strategic focus or available funding or external factors, such as an acquisition, that divert resources or create competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for clinical trials, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- we may not have access to, or may be restricted from disclosing, certain information regarding product candidates being developed or commercialized under a collaboration and, consequently, may have limited ability to inform our shareholders about the status of such product candidates;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- product candidates developed in collaboration with us may be viewed by our collaborators as competitive with their own product candidates or products, which may cause collaborators to cease to devote resources to the commercialization of our product candidates;
- a collaborator with marketing and distribution rights to one or more of our product candidates that achieve regulatory approval may not commit sufficient resources to the marketing and distribution of any such product candidate;
- disagreements with collaborators, including disagreements over proprietary rights, contract interpretation or the preferred course of development of any product candidates, may cause delays or termination of the research, development or commercialization of such product candidates, may lead to additional responsibilities for us with respect to such product candidates or may result in litigation or arbitration, any of which would be time-consuming and expensive;
- collaborators may not properly maintain or defend our intellectual property rights or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential litigation;

- disputes may arise with respect to the ownership of intellectual property developed pursuant to our collaborations;
- collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability; and
- collaborations may be terminated for the convenience of the collaborator and, if terminated, we could be required to raise additional capital to pursue further development or commercialization of the applicable product candidates.

If our collaborations do not result in the successful development and commercialization of products, or if one of our collaborators terminates its agreement with us, we may not receive any future research funding or milestone or royalty payments under the collaboration. If we do not receive the funding we expect under these agreements, our development of product candidates could be delayed and we may need additional resources to develop our product candidates. In addition, if one of our collaborators terminates its agreement with us, we may find it more difficult to attract new collaborators and the perception of us in the business and financial communities could be adversely affected. All of the risks relating to product development, regulatory approval and commercialization described in this prospectus also apply to the activities of our collaborators.

We may in the future decide to collaborate with pharmaceutical and biotechnology companies and other organizations for the development and potential commercialization of our product candidates. These relationships, or those like them, may require us to incur non-recurring and other charges, increase our near- and long-term expenditures, issue securities that dilute our existing shareholders or disrupt our management and business. In addition, we could face significant competition in seeking appropriate collaborators and the negotiation process is time-consuming and complex. Our ability to reach a definitive collaboration agreement will depend, among other things, upon our assessment of the collaborator's resources and expertise and the terms and conditions of the proposed collaboration. If we license rights to product candidates, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and strategy.

If we fail to comply with our obligations under our license and collaboration agreement with Cardiff ProTides Ltd., we could lose rights to licensed and assigned intellectual property that are necessary for developing and commercializing Acelarin and other potential product candidates.

We entered into an exclusive, worldwide assignment, license and collaboration agreement with Cardiff ProTides Ltd., or Cardiff ProTides, for certain of the patents related to Acelarin and other potential ProTides. This agreement imposes various development, commercialization, royalty payment, diligence and other obligations on us. Among other obligations, we are specifically required to: pay Cardiff ProTides potential milestone payments; pay Cardiff ProTides royalties equal to mid- to high-single digit percentages of sales of such products, including sales by sublicensees; use commercially reasonable efforts to bring products to market; provide development and financial reports to Cardiff ProTides; file, prosecute, defend and maintain patent rights; indemnify Cardiff ProTides against certain claims and maintain insurance coverage; and direct future medicinal chemistry work related to certain compounds to Cardiff ProTides on a preferential basis.

If we breach any of these obligations, Cardiff ProTides may have the right to terminate the license and require us to assign back to Cardiff ProTides the intellectual property which was assigned to us under this agreement, which would result in our being unable to develop, manufacture and sell products that are covered by the licensed intellectual property or the assigned intellectual property, including Acelarin, or in a competitor's gaining access to the licensed intellectual property or the assigned intellectual property.

Risks Related to the Commercialization of Our Product Candidates

Even if any of our product candidates receives marketing approval, it may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success.

If any of our product candidates receives marketing approval, it may nonetheless fail to gain sufficient market acceptance by physicians, patients, third-party payors and others in the medical community. If our product candidates do not achieve an adequate level of acceptance, we may not generate significant product revenues and we may not become profitable. The degree of market acceptance of our product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the timing of our receipt of any marketing approvals;
- the terms of any approvals and the countries in which approvals are obtained;
- the efficacy and safety and potential advantages and disadvantages compared to alternative treatments;
- the prevalence and severity of any side effects associated with our products or with any product that is used in combination with our product;
- the indications for which our products are approved;
- adverse publicity about our products or favorable publicity about competing products;
- the approval of other products for the same indications as our products;
- our ability to offer our products for sale at competitive prices;
- the convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the success of our physician education programs;
- the strength of our marketing and distribution;
- the availability of third-party coverage and adequate reimbursement, including patient cost-sharing programs such as copays and deductibles; and
- any restrictions on the use of our products together with other medications.

We face substantial competition, which may result in others discovering, developing or commercializing competing products before or more successfully than we do.

The development and commercialization of new drug products is highly competitive. We face competition with respect to our current product candidates and will face competition with respect to any product candidates that we may seek to develop or commercialize in the future, from major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. There are a number of large pharmaceutical and biotechnology companies that currently market and sell products or are pursuing the development of products for the treatment of the disease indications for which we are developing our product candidates. Some of these competitive products and therapies are based on scientific approaches that are the same as, or similar to, our approach, and others are based on entirely different approaches. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

Specifically, there are a large number of companies developing or marketing treatments for cancer, including many major pharmaceutical and biotechnology companies. If Acelarin is approved, it would compete

with (a) existing chemotherapies, including gemcitabine, (b) existing targeted therapies or immunotherapies and, if approved, targeted therapies or immunotherapies in clinical trials for the treatment of patients with cancer and (c) multiple approved drugs or drugs that may be approved in the future for indications for which we may develop Acelarin. If NUC-3373 is approved, it would compete with (a) existing chemotherapies, including 5-FU, (b) existing targeted therapies or immunotherapies and, if approved, targeted therapies or immunotherapies in clinical trials for the treatment of patients with cancer and (c) multiple approved drugs or drugs that may be approved in the future for indications for which we may develop NUC-3373. If NUC-7738 is approved, it would compete with existing chemotherapies and multiple approved drugs or drugs that may be approved in the future for indications for which we may develop NUC-7738. Existing chemotherapies with which we may compete, including gemcitabine and 5-FU, are no longer under patent and are produced by numerous generic pharmaceutical manufacturers. As a result, these chemotherapies are and will continue to be substantially less expensive to patients than many other potential therapies, including our ProTide candidates, if approved.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, more convenient or less expensive or have fewer or less severe side effects than any products that we may develop. Our competitors also may obtain FDA or other marketing approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market or slow our marketing approval. Some of the important competitive factors affecting the success of all of our product candidates, if approved, are likely to be their efficacy, safety, convenience, price and the availability of reimbursement from government and other third-party payors.

Many of the companies against which we are competing or against which we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical studies, conducting clinical trials, obtaining marketing approvals and marketing approved products than we do. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller and early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel and in establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

Even if we are able to commercialize any product candidates, such drugs may become subject to unfavorable pricing regulations or third-party coverage and reimbursement policies.

The regulations that govern marketing approvals, pricing and reimbursement for new drugs vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product candidate in a particular country but then be subject to price regulations that delay our commercial launch of the product candidate, possibly for lengthy time periods, and negatively impact the revenues we are able to generate from the sale of the product candidate in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more product candidates, even if our product candidates obtain marketing approval.

Our ability to commercialize any product candidates, if approved, successfully will depend in part on the extent to which coverage and adequate reimbursement for these product candidates and related treatments will be available from government authorities, private health insurers and other organizations. In the United States, the principal decisions about coverage and reimbursement for new medicines under Medicare are made by CMS, an agency within the U.S. Department of Health and Human Services. Private payors ultimately determine which drugs they will cover and the amount of reimbursement they will provide for a covered drug. While there is no uniform system among payors for making coverage and reimbursement decisions, private payors tend to follow

CMS to a substantial degree. It is difficult to predict what CMS will decide with respect to reimbursement. Reimbursement agencies in Europe may be more conservative than CMS. For example, a number of cancer drugs are generally covered and paid for in the United States, but have not been approved for reimbursement in certain European countries. A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and third-party payors have attempted to control costs by limiting coverage and the amount of payments for particular drugs. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for drugs. We may also need to conduct expensive pharmacoeconomic studies, in addition to the costly studies required to obtain FDA or other comparable regulatory approvals, in order to demonstrate the medical necessity and cost-effectiveness of the product in order to secure coverage and reimbursement. We cannot be sure that coverage will be available for any product candidate that we commercialize and, if coverage is available, the level of payments. Reimbursement may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any product candidate for which we obtain marketing approval.

In addition to CMS and private payors, professional organizations such as the National Comprehensive Cancer Network and the American Society of Clinical Oncology can influence decisions about reimbursement for new medicines by determining standards of care. In addition, many private payors contract with commercial vendors who sell software that provide guidelines that attempt to limit utilization of, and therefore reimbursement for, certain products deemed to provide limited benefit to existing alternatives. Such organizations may set guidelines that limit reimbursement or utilization of our products.

There may be significant delays in obtaining reimbursement for newly approved drugs, and coverage may be more limited than the purposes for which the drug is approved by the FDA or similar regulatory authorities outside the United States. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for any approved drugs that we develop could compromise our operating results, our ability to raise capital needed to commercialize drugs and our overall financial condition.

We currently have no marketing capability or sales force. If we are unable to establish effective sales or marketing capabilities or enter into agreements with third parties to sell or market our product candidates, we may not be able to effectively sell or market our product candidates, if approved, or generate product revenues.

We currently have no marketing capability or sales force, but we plan to commercialize any product candidates for which we receive regulatory marketing approval using a specialized sales force in the United States and Europe. To achieve commercial success for any approved product candidate for which we retain sales and marketing responsibilities, we must build our sales, marketing, managerial and other non-technical capabilities or make arrangements with third parties to perform these services. There are risks involved with both establishing our own sales and marketing capabilities and entering into arrangements with third parties to perform these services. For example, recruiting and training a sales force is expensive and time consuming and could delay any drug launch. If the commercial launch of a product candidate for which we recruit a sales force and establish marketing capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses. This may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel.

Factors that may inhibit our efforts to commercialize our product candidates on our own include:

- our inability to recruit and retain adequate numbers of effective sales and marketing personnel;
- the inability of sales personnel to obtain access to physicians or persuade adequate numbers of physicians to prescribe any future drugs;
- the lack of complementary drugs to be offered by sales personnel, which may put us at a competitive disadvantage relative to companies with more extensive product lines; and
- unforeseen costs and expenses associated with creating an independent sales and marketing organization.

If we enter into arrangements with third parties to perform sales, marketing and distribution services, our drug revenues or the profitability of these drug revenues to us are likely to be lower than if we were to market and sell any product candidates that we develop ourselves. In addition, we may not be successful in entering into arrangements with third parties to sell and market our product candidates or may be unable to do so when needed or on terms that are favorable to us. We likely will have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our product candidates effectively. If we do not establish sales and marketing capabilities successfully, either on our own or in collaboration with third parties, we will not be successful in commercializing our product candidates that receive marketing approval or any such commercialization may experience delays or limitations.

Product liability lawsuits against us could cause us to incur substantial liabilities and to limit commercialization of any products that we may develop.

We face an inherent risk of product liability exposure related to the evaluation of our product candidates in human clinical trials and will face an even greater risk if we commercially sell any products that we may develop. If we cannot successfully defend ourselves against claims that our product candidates or products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any product candidates or products that we may develop;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants;
- significant costs to defend the related litigation;
- substantial monetary awards to trial participants or patients;
- loss of revenue;
- reduced resources of our management to pursue our business strategy; and
- the inability to successfully commercialize any products that we may develop.

Our product liability insurance may not be adequate to cover all liabilities that we may incur. We may need to increase our insurance coverage as we expand our clinical trials or if we commence commercialization of our product candidates. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Risks Related to Our Intellectual Property

If we are unable to obtain and maintain intellectual property protection for our technology and products, or if the scope of the intellectual property protection obtained is not sufficiently broad, our competitors could commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired. In addition, if we infringe the valid patent rights of others, we may be prevented from making, using or selling our products or may be subject to damages or penalties.

Our success depends in large part on our ability to obtain and maintain patents in the United States and other countries that adequately protect our proprietary technology and products. We seek to protect our proprietary position by filing patent applications in the United States and in foreign countries that cover our novel product candidates and their uses, pharmaceutical formulations and dosages, and processes for the manufacture of them. Our patent portfolio currently includes both patents and patent applications.

The patent prosecution process is expensive and time-consuming. We may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. We may choose not to seek patent protection for certain innovations and may choose not to pursue patent protection in certain jurisdictions. Under the laws of certain jurisdictions, patents or other intellectual property rights may be unavailable or limited in scope. It is also possible that we will fail to identify patentable aspects of our research and development before it is too late to obtain patent protection.

We currently solely own or exclusively license our patents and patent applications and we have the right to control the prosecution of the in-licensed patent applications. In the future, we may choose to in-license additional patents or patent applications from third parties that we conclude are useful or necessary for our business goals. We may not have the right to control the preparation, filing, prosecution or maintenance of such patent applications. Therefore, if we do license additional patents or patent applications in the future, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or, in some cases, not at all. Therefore, we cannot know with certainty whether we were the first to make the inventions claimed in our owned or licensed patents or pending patent applications, or that we were the first to file for patent protection of such inventions. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or products, in whole or in part, or which effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection.

Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. On September 16, 2011, the Leahy-Smith America Invents Act, or the Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications are prosecuted and may also affect patent litigation. The U.S. Patent and Trademark Office, or USPTO, recently developed new regulations and procedures to govern administration of the Leahy-Smith Act, and many of the substantive changes to patent law associated with the Leahy-Smith Act, and in particular, the first to file provisions, became effective on March 16, 2013. The Leahy-Smith Act also created certain new administrative adversarial proceedings, discussed below. It is not clear what, if any, impact the Leahy-Smith Act will have on the operation of our business. However, the Leahy-Smith Act and its implementation could increase the

uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents.

The U.S. Supreme Court has issued opinions in patent cases in the last few years that many consider may weaken patent protection in the United States, either by narrowing the scope of patent protection available in certain circumstances, holding that certain kinds of innovations are not patentable or generally otherwise making it easier to invalidate patents in court. Additionally, there have been recent proposals for additional changes to the patent laws of the United States and other countries that, if adopted, could impact our ability to obtain patent protection for our proprietary technology or our ability to enforce our proprietary technology. Depending on future actions by the U.S. Congress, the U.S. courts, the USPTO and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

Even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our owned or licensed patents by developing similar or alternative technologies or products in a non-infringing manner.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and in other countries. Such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. In particular, third parties, such as generics companies, may seek to develop or acquire intellectual property rights proximate to our patents, including with respect to formulation and process matters, and may be able to do so in a non-infringing manner. Additionally, given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. Likewise, a court could uphold and enforce a third-party patent that it rules we have infringed, which would subject us to damages or prevent us from making, using or selling our products.

During patent prosecution in the United States and in most foreign countries, a third party can submit prior art or arguments to the reviewing patent office to attempt to prevent the issuance of a competitor’s patent. For example, our pending patent applications may be subject to a third-party preissuance submission of prior art to the USPTO or an Observation in Europe. Such submission may convince the receiving patent office not to issue the patent. In addition, if the breadth or strength of protection provided by our patents and patent applications is reduced by such third-party submission, it could affect the value of our resulting patent or dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates. We may also seek to have issued patents re-issued for purposes of strengthening our patent position; however, such requests for reissuance may not result in the issuance of the new patent and could result in loss of the originally issued patent.

The risks described here pertaining to our patents and other intellectual property rights also apply to any intellectual property rights that we currently license or may license in the future. In some cases we may not have control over the prosecution, maintenance or enforcement of the patents that we license, and our licensors may fail to take the steps that we believe are necessary or desirable in order to obtain, maintain and enforce the licensed patents.

We may become involved in administrative adversarial proceedings in the USPTO or in the patent offices of foreign countries brought by a third party to attempt to cancel or invalidate our patent rights, which could be expensive, time consuming and cause a loss of patent rights.

The Leahy-Smith Act created for the first time new procedures to challenge issued patents in the United States, including post-grant review and inter partes review proceedings, which some third parties have been using to cause the cancellation of selected or all claims of issued patents of competitors. For a patent with a priority date of March 16, 2013 or later, a petition for post-grant review can be filed by a third party in a nine-month window from issuance of the patent. A petition for inter partes review can be filed immediately following the issuance of a patent if the patent was filed prior to March 16, 2013. A petition for inter partes review can be filed after the nine-month period for filing a post-grant review petition has expired for a patent with a priority date of March 16, 2013 or later. Post-grant review proceedings can be brought on any ground of challenge, whereas inter partes review proceedings can only be brought to raise a challenge based on published prior art. These administrative adversarial actions at the USPTO review patent claims without the presumption of validity afforded to U.S. patents in lawsuits in U.S. federal courts, use a lower burden of proof than used by U.S. federal courts and interpret patent claims using a "broadest reasonable construction" instead of "plain and ordinary meaning," which is used in court litigation. Because of these differences between U.S. administrative and judicial adversarial patent proceedings, it is generally considered easier for a competitor or third party to have a U.S. patent cancelled in a patent office post-grant review or inter partes review proceeding than invalidated in a litigation in a U.S. federal court. If any of our patents are challenged by a third party in such a U.S. patent office proceeding, there is no guarantee that we will be successful in defending the patent, which would result in a loss of the challenged patent right to us.

Opposition or invalidation procedures are also available in most foreign countries. Many foreign authorities, such as the authorities at the European Patent Office, have only post-grant opposition proceedings. However, certain countries, such as India, have both pre-grant and post-grant opposition proceedings. These procedures have been used frequently against pharmaceutical patents in foreign countries. For example, in some foreign countries, these procedures are used by generic companies to hold up an innovator's patent rights as a means to allow the generic company to enter the market. This activity is particularly prevalent in India, China and South America and may become more prevalent in Africa and other parts of Asia as certain countries reach more established economies. If any of our patents are challenged in a foreign opposition or invalidation proceeding, we could face significant costs to defend our patents and may not be successful. Further, in many foreign jurisdictions, the losing party must pay the attorneys' fees of the winning party, which can be substantial.

We may have to file one or more lawsuits in court to prevent a third party from selling a product or using a product in a manner that infringes our patent, which could be expensive, time consuming and unsuccessful, and ultimately result in the loss of our proprietary market.

Because competition in our industry is intense, competitors may infringe or otherwise violate our issued patents, patents of our licensors or other intellectual property. To counter infringement or unauthorized use, we may be required to file infringement lawsuits, which can be expensive and time consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringe their patents. In addition, in a patent infringement proceeding, a court may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent's claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly. We may also elect to enter into license agreements in order to settle patent infringement claims or to resolve disputes prior to litigation, and any such license agreements may require us to pay royalties and other fees that could be significant. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure.

Because our ProTides are small molecules, after commercialization they will be subject to the patent litigation process of the Hatch-Waxman Act, which allows a generic company to submit an Abbreviated New Drug Application, or ANDA, to the FDA to obtain approval to sell our drug using bioequivalence data only. Under the Hatch-Waxman Act, since our candidates will be considered new chemical entities, we will have the opportunity to list all of our patents that cover our drug product or its method of use in the FDA's compendium of "Approved Drug Products with Therapeutic Equivalence Evaluation," sometimes referred to as the FDA's Orange Book. A generic company can submit an ANDA to the FDA four years after our drug approval. The submission of the ANDA by a generic company is considered a technical act of patent infringement. The generic company can certify that it will wait until the natural expiration date of our listed patents to sell a generic version of our product or can certify that one or more of our listed patents are invalid, unenforceable, or not infringed. If the latter, we will have 45 days to bring a patent infringement lawsuit against the generic company. This will initiate a challenge to one or more of our Orange Book-listed patents based on arguments from the generic company that either our patent is invalid, unenforceable or not infringed. Under the Hatch-Waxman Act, if a lawsuit is brought, the FDA is prevented from issuing a final approval on the generic drug until the earlier of seven-and-a-half years from our drug approval or a final decision of a court holding that our asserted patent claims are invalid, unenforceable or not infringed. If we do not properly list our relevant patents in the Orange Book, timely file a lawsuit in response to a certification from a generic company under an ANDA or prevail in the resulting patent litigation, we can lose our proprietary market, which can rapidly become generic. Further, even if we do correctly list our relevant patents in the Orange Book, bring a lawsuit in a timely manner and prevail in that lawsuit, it may be at a very significant cost to us of attorneys' fees and employee time and distraction over a long period. Further, it is common for more than one generic company to try to sell an innovator drug at the same time, so we may be faced with the cost and distraction of multiple lawsuits. We may also determine it is necessary to settle the lawsuit in a manner that allows the generic company to enter our market prior to the expiration of our patent or otherwise in a manner that adversely affects the strength, validity or enforceability of our patent.

A number of pharmaceutical companies have been the subject of intense review by the U.S. Federal Trade Commission, or FTC, or a corresponding agency in another country based on how they have conducted or settled drug patent litigation, and certain reviews have led to an allegation of an antitrust violation, sometimes resulting in a fine or loss of rights. We cannot be sure that we would not also be subject to such a review or that the result of the review would be favorable to us, which could result in a fine or penalty.

The FTC has brought a number of lawsuits in federal court in the past few years to challenge Hatch-Waxman ANDA litigation settlements between innovator companies and generic companies as anti-competitive. The FTC has taken an aggressive position that anything of value is a payment, whether money is paid or not. Under their approach, if an innovator as part of a patent settlement agrees not to launch or delay launch of an authorized generic during the 180-day period granted to the first generic company to challenge an Orange Book-listed patent covering an innovator drug, or negotiates a delay in entry without payment, the FTC may consider it an unacceptable reverse payment. The biopharmaceutical industry argues that such agreements are rational business decisions to dismiss risk and are immune from antitrust attack if the terms of the settlement are within the scope of the exclusionary potential of the patent. In 2013, the U.S. Supreme Court, in a five-to-three decision in *FTC v. Actavis, Inc.*, rejected both the biopharmaceutical industry's and FTC's arguments with regard to so-called reverse payments, and held that whether a "reverse payment" settlement involving the exchange of consideration for a delay in entry is subject to an anticompetitive analysis depends on five considerations: (a) the potential for genuine adverse effects on competition; (b) the justification of payment; (c) the patentee's ability to bring about anticompetitive harm; (d) whether the size of the payment is a workable surrogate for the patent's weakness; and (e) that antitrust liability for large unjustified payments does not prevent litigating parties from settling their lawsuits, for example, by allowing the generic to enter the market before the patent expires without the patentee's paying the generic. Furthermore, whether a reverse payment is justified depends upon its size, its scale in relation to the patentee's anticipated future litigation costs, its independence from other services for which it might represent payment, as was the case in Actavis, and the lack of any other convincing justification. The Court held that reverse payment settlements can potentially violate antitrust laws and are subject to the

standard antitrust rule-of-reason analysis, with the burden of proving that an agreement is unlawful on the FTC and leaving to lower courts the structuring of such rule of reason analysis. If we are faced with drug patent litigation, including Hatch-Waxman litigation with a generic company, we could be faced with such an FTC challenge based on that activity, including how or whether we settle the case, and even if we strongly disagree with the FTC's position, we could face a significant expense or penalty.

Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could hurt our business.

Our commercial success depends upon our ability to develop, manufacture, market and sell Acelarin, NUC-3373 and our other product candidates and use our proprietary technologies without infringing the proprietary rights of third parties. While our product candidates are in preclinical studies and clinical trials, we believe that the use of our product candidates in these preclinical studies and clinical trials falls within the scope of the exemptions provided by 35 U.S.C. Section 271(e) in the United States, which exempts from patent infringement liability activities reasonably related to the development and submission of information to the FDA. As Acelarin, NUC-3373 and our other product candidates progress toward commercialization, the possibility of a patent infringement claims against us increases. There can be no assurance that our product candidates do not infringe other parties' patents or other proprietary rights, however, and competitors or other parties may assert that we infringe their proprietary rights in any event.

We may become party to, or threatened with, future adversarial proceedings or litigation regarding intellectual property rights covering our products and technology, including interference or derivation proceedings before the USPTO. Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future, including against our product candidates themselves, our formulation and manufacturing processes or our drug administration methods. In particular, because Acelarin and NUC-3373 are transformations of widely used approved chemotherapeutic agents, there is significant intellectual property held by third parties with respect to the formulation and manufacturing of those existing agents, which may increase the risk that such third parties allege infringement by us in the formulation and manufacture processes of our product candidates. Furthermore, if any of our future ProTides are transformations of an existing chemotherapeutic agent that remains on patent, we could be subject to claims of infringement by the holder of such patents.

If we are found to infringe a third party's intellectual property rights, we could be required to obtain a license from such third party to continue developing and marketing our products and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. Alternatively, we may need to redesign infringing products, which may be impossible or require substantial time and monetary expenditure. Under certain circumstances, we could be forced, including by court order, to cease commercializing the infringing technology or product. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed a patent. A finding of infringement could prevent us from commercializing our product candidates or force us to cease some of our business operations, which could harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business.

We may not be able to effectively enforce our intellectual property rights throughout the world.

We generally file our first patent application, or priority filing, at the United Kingdom Intellectual Property Office. International applications under the Patent Cooperation Treaty, or PCT, are usually filed within 12 months after the priority filing. Based on the PCT filing, national and regional patent applications may be filed in additional jurisdictions where we believe our product candidates may be marketed or manufactured. Filing, prosecuting and defending patents on our product candidates in all countries throughout the world would be prohibitively expensive, and therefore we only file for patent protection in selected countries. The requirements

for patentability may differ in certain countries, particularly in developing countries. Moreover, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws.

The laws of foreign countries may not protect our rights to the same extent as the laws of the United States. For example, Europe, India, China and certain other countries do not allow patents for methods of treating the human body. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions that do not favor patent protection on drugs. This could make it difficult for us to stop the infringement of our patents or the misappropriation of our other intellectual property rights. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own drugs and, further, may export otherwise infringing drugs to territories where we have patent protection, if our ability to enforce our patents to stop infringing activities is inadequate. These drugs may compete with our product candidates, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Proceedings to enforce our patent rights in foreign jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and resources from other aspects of our business. Furthermore, while we intend to protect our intellectual property rights in the major markets for our product candidates, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our product candidates. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate.

A number of foreign countries have stated that they are willing to issue compulsory licenses to patents held by innovator companies on approved drugs to allow the government or one or more third-party companies to sell the approved drug without the permission of the innovator patentee where the foreign government concludes it is in the public interest. India, for example, has used such a procedure to allow domestic companies to make and sell patented drugs without innovator approval. There is no guarantee that patents covering any of our drugs will not be subject to a compulsory license in a foreign country, or that we will have any influence over if or how such a compulsory license is granted. Further, Brazil allows its regulatory agency, ANVISA, to participate in deciding whether to grant a drug patent in Brazil, and patent grant decisions are made based on several factors, including whether the patent meets the requirements for a patent and whether such a patent is deemed in the country’s interest. In addition, several other countries have created laws that make it more difficult to enforce drug patents than patents on other kinds of technologies. Further, under the treaty on the Trade-Related Aspects of Intellectual Property, or TRIPS, as interpreted by the Doha Declaration, countries in which drugs are manufactured are required to allow exportation of the drug to a developing country that lacks adequate manufacturing capability. Therefore, our drug markets in the United States or foreign countries may be affected by the influence of current public policy on patent issuance, enforcement or involuntary licensing in the healthcare area.

In November 2015, members of the World Trade Organization, or the WTO, which administers TRIPS, voted to extend the exemption against enforcing pharmaceutical drug patents in least developed countries until 2033. We currently have no patent applications filed in least developed countries, and our current intent is not to file in these countries in the future, at least in part due to this WTO pharmaceutical patent exemption.

In addition, some countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. Further, some countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents or applications. We have systems in place to remind us to pay these fees, and we employ an outside firm and rely on our outside counsel to pay these fees due to non-U.S. patent agencies. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market, which could compromise our competitive position.

Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Litigation or other legal proceedings relating to intellectual property claims, with or without merit, is unpredictable, generally expensive and time consuming and is likely to divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and, if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our ADSs. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities.

We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon, misappropriating or successfully challenging our intellectual property rights.

Our intellectual property licenses with third parties may be subject to disagreements over contract interpretation, which could narrow the scope of our rights to the relevant intellectual property or technology or increase our financial or other obligations to our licensors.

Our intellectual property licenses with third parties may be subject to disagreements over contract interpretation, which could narrow the scope of our rights to the relevant intellectual property or technology or increase our financial or other obligations to our licensors. The agreements under which we currently license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement.

If any of our licenses or material relationships or any in-licenses upon which our licenses are based are terminated or breached, we may:

- lose our rights to develop and market our product candidates;
- lose patent protection for our product candidates;
- experience significant delays in the development or commercialization of our product candidates;

- not be able to obtain any other licenses on acceptable terms, if at all; or
- incur liability for damages.

These risks apply to any agreements that we may enter into in the future for our current or any future product candidates. If we experience any of the foregoing, it could have a negative impact on our business, financial condition, results or operations and prospects.

If we fail to comply with our obligations in the agreements under which we license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with our licensors, we could lose license rights that are important to our business.

We have entered into license agreements with third parties and may need to obtain additional licenses from one or more of these same third parties or from others to advance our research or allow commercialization of our product candidates. It is possible that we may be unable to obtain additional licenses at a reasonable cost or on reasonable terms, if at all. In that event, we may be required to expend significant time and resources to redesign our product candidates or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize our product candidates, which would harm our business. We cannot provide any assurances that third-party patents or other intellectual property rights do not exist which might be enforced against our current manufacturing methods, product candidates or future methods, resulting in either an injunction prohibiting our manufacture or sales, or, with respect to our sales, an obligation on our part to pay royalties or other forms of compensation to third parties.

It is possible that in any future license agreements, patent prosecution of our licensed technology may be controlled solely by the licensor, and we may be required to reimburse the licensor for their costs of patent prosecution. If our licensors fail to obtain and maintain patent or other protection for the proprietary intellectual property we license from them, we could lose our rights to the intellectual property or our exclusivity with respect to those rights, and our competitors could market competing products using the intellectual property. Disputes may arise regarding intellectual property subject to a licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship or ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize our product candidates.

We may be subject to claims by third parties asserting that our employees or we have misappropriated their intellectual property, or claiming ownership of what we regard as our own intellectual property.

Many of our employees were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees do

not use the proprietary information or know-how of others in their work for us, we may be subject to claims that these employees or we have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such employee's former employer. Litigation may be necessary to defend against these claims.

In addition, while it is our policy to require our employees and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own. Our and their assignment agreements may not be self-executing or may be breached, and we may be forced to bring claims against third parties, or defend claims they may bring against us, to determine the ownership of what we regard as our intellectual property.

If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to management.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to seeking patents for some of our technology and product candidates, we also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, contract manufacturers, consultants, advisors and other third parties. We seek to protect our confidential proprietary information but enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be harmed.

Our proprietary information, or that of our suppliers and any future collaborators, may be lost or we may suffer security breaches.

In the ordinary course of our business, we collect and store sensitive data, including intellectual property, clinical trial data, proprietary business information, personally identifiable information of our employees and, potentially in the future, personally identifiable information of our clinical trial subjects, in our data centers and on our networks. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Although to our knowledge we have not experienced any such material security breach to date, any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disrupt our operations, damage our reputation, and cause a loss of confidence in us and our ability to conduct clinical trials, which could adversely affect our reputation and delay the clinical development of our product candidates.

Intellectual property rights do not necessarily address all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain our competitive advantage. The following examples are illustrative:

- Others may be able to make, use or sell compounds that are similar to our product candidates but that are not covered by the claims of the patents that we own or have exclusively licensed.
- We, our licensors or strategic partners might not have been the first to make the inventions covered by the issued patent or pending patent application that we own or have exclusively licensed.
- We, our licensors or strategic partners, or future licensors or strategic partners, might not have been the first to file patent applications covering certain of our inventions.
- Others may independently develop similar or alternative technologies, or duplicate any of our technologies without infringing our intellectual property rights.
- It is possible that our pending patent applications will not lead to issued patents.
- Issued patents that we own or have exclusively licensed may not provide us with any competitive advantages, or may be held invalid or unenforceable as a result of legal challenges by our competitors.
- Our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets.
- We may not develop additional proprietary technologies that are patentable.
- The patents of others may have an adverse effect on our business.

Risks Related to Employee Matters, Managing Growth and Other Risks Related to Our Business

We currently have a limited number of employees, and our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are a clinical-stage company, and, as of September 18, 2017, had 16 employees, including three executive officers. We are highly dependent on the research and development, clinical and business development expertise of Hugh S. Griffith, our Chief Executive Officer, as well as the other principal members of our management team and our collaborators' scientific and clinical team. Although we have entered into employment agreements with our executive officers, each of them may at any time serve notice to terminate their employment with us. Other than for Mr. Griffith, we do not maintain "key person" insurance for any of our executives or other employees. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we or our collaborators are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

Recruiting and retaining qualified scientific, clinical, manufacturing, finance, sales and marketing personnel will also be critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, obtain marketing approval of and commercialize products. Competition to hire from this limited pool is intense and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We also experience

competition for the hiring of scientific and clinical personnel from universities and research institutions. Failure to succeed in clinical trials may make it more challenging to recruit and retain qualified scientific personnel. If we or our collaborators are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We expect to expand our development and regulatory capabilities and potentially implement sales, marketing and distribution capabilities, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations.

To manage our anticipated development and expansion, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Also, our management may need to divert a disproportionate amount of its attention away from its day-to-day activities and devote a substantial amount of time to managing these development activities. Due to our limited resources, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. This may result in weaknesses in our infrastructure, give rise to operational mistakes, loss of business opportunities, loss of employees and reduced productivity among remaining employees. The physical expansion of our operations may lead to significant costs and may divert financial resources from other projects, such as the development of our product candidates. If our management is unable to effectively manage our expected development and expansion, our expenses may increase more than expected, our ability to generate or increase our revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize our product candidates, if approved, and compete effectively will depend, in part, on our ability to effectively manage the future development and expansion of our company.

The United Kingdom's withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and our business, which could reduce the price of our ADSs.

Following the BREXIT referendum held on June 23, 2016, the United Kingdom government served notice under Article 50 of the Treaty of the European Union on March 29, 2017 to formally initiate the process of withdrawing from the European Union. The United Kingdom and the European Union have a two-year period under Article 50 to negotiate the terms of withdrawal. Any extension of the negotiation period for withdrawal will require the consent of all of the remaining 27 member states.

The referendum and withdrawal have created significant uncertainty about the future relationship between the United Kingdom and the European Union Lack of clarity about future U.K. laws and regulations as the United Kingdom determines which E.U.-derived laws and regulations to replace or replicate as part of a withdrawal, including financial laws and regulations, tax and free trade agreements, intellectual property rights, supply chain logistics, environmental, health and safety laws and regulations, immigration laws and employment laws, could decrease foreign direct investment in the United Kingdom, increase costs, depress economic activity and restrict our access to capital. If the United Kingdom and the European Union are unable to negotiate acceptable terms for the United Kingdom's withdrawal from the European Union, or if other E.U. member states pursue withdrawal from the European Union, barrier-free access between the United Kingdom and other E.U. member states or across the European Economic Area overall could be diminished or eliminated. In addition, the United Kingdom could lose the benefits of global trade agreements negotiated by the European Union on behalf of its members. These developments, or the perception that any of them could occur, have had and may continue to have a significant adverse effect on global economic conditions and the stability of global financial markets, and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings may be especially subject to increased market volatility. These developments, or the perception that any of them could occur, may also have a significant effect on our ability to attract and retain employees, including scientists and other employees who are important for our and our collaborators' research and development efforts.

If Scotland decides to secede from the United Kingdom, our business may be adversely affected.

A referendum on Scottish independence from the United Kingdom took place on September 18, 2014, the result of which was that Scotland remained part of the United Kingdom. There may in the future be a second referendum on Scottish independence from the United Kingdom. Any such referendum, even if it again ultimately resulted in Scotland remaining part of the United Kingdom, could lead to uncertainty and disrupt the markets in which we operate, and might cause us to lose potential customers, suppliers, collaborators and employees, including scientists and other key employees employed by us or our collaborators.

Unfavorable global economic conditions could adversely affect our business, financial condition or results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. The 2008 global financial crisis caused extreme volatility and disruptions in the capital and credit markets. A severe or prolonged economic downturn, such as resulted from the 2008 global financial crisis, could result in a variety of risks to our business, including our ability to raise additional capital when needed on acceptable terms, if at all. A weak or declining economy could also strain our suppliers, possibly resulting in supply disruption.

Our business and operations could suffer in the event of information technology and other internal infrastructure system failures.

Despite the implementation of security measures, our information technology and other internal infrastructure systems and those of our third-party CROs and other contractors and consultants, including corporate firewalls, servers, leased lines and connections to the Internet, are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Furthermore, we have little or no control over the security measures and computer systems of our third-party CROs and other contractors and consultants. While we have not experienced any such system failure, accident or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our programs. For example, the loss of clinical trial data for our product candidates could result in delays in our marketing approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach results in a loss of or damage to our data or applications or other data or applications relating to our technology or product candidates, or inappropriate disclosure of confidential or proprietary information, we could incur liabilities and the further development of our product candidates could be delayed.

Our employees, principal investigators, CROs and consultants may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements and insider trading.

We are exposed to the risk that our employees, principal investigators, CROs and consultants may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless or negligent conduct or disclosure of unauthorized activities to us that violate the regulations of the FDA and other regulatory authorities, including those laws requiring the reporting of true, complete and accurate information to such authorities; healthcare fraud and abuse laws and regulations in the United States and abroad; or laws that require the reporting of financial information or data accurately. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Activities subject to these laws also involve the improper use of information obtained in the course of clinical trials or creating fraudulent data in our preclinical studies or clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to

detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. Additionally, we are subject to the risk that a person could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, disgorgement, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and oversight if we become subject to a corporate integrity agreement to resolve allegations of non-compliance with these laws, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

We may expend our limited resources to pursue a particular product candidate and fail to capitalize on product candidates that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on specific product candidates. As a result, we may forgo or delay pursuit of opportunities with other product candidates that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable product candidates. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate.

We may acquire businesses or drugs, or form strategic alliances in the future and we may not realize the benefits of such acquisitions.

We may acquire additional businesses or drugs, form strategic alliances or create joint ventures with third parties that we believe will complement or augment our existing business. If we acquire businesses with promising markets or technologies, we may not be able to realize the benefit of acquiring such businesses if we are unable to successfully integrate them with our existing operations and strategy. We may encounter numerous difficulties in developing, manufacturing and marketing any new drugs resulting from a strategic alliance or acquisition that delay or prevent us from realizing their expected benefits or enhancing our business. We cannot assure you that, following any such acquisition, we will achieve the expected synergies to justify the transaction.

We or the third parties upon which we depend may be adversely affected by natural disasters and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Natural disasters could severely disrupt our operations and hurt our financial condition. If a natural disaster, power outage or other event occurred that prevented us from using all or a significant portion of our headquarters, that damaged critical infrastructure, such as the manufacturing facilities of our third-party contract manufacturers, or that otherwise disrupted operations, it may be difficult or, in certain cases, impossible for us to continue our business for a substantial period of time. The disaster recovery and business continuity plans we have in place may prove inadequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans.

We are subject to certain U.K., U.S. and foreign anti-corruption, anti-money laundering, export control, sanctions, and other trade laws and regulations, violations of which can have a negative impact on our business.

We are subject to certain U.K., U.S. and foreign anti-corruption, anti-money laundering, export control, sanctions, and other trade laws and regulations. Among other matters, these laws and regulations prohibit

companies and their employees, agents, clinical research organizations, legal counsel, accountants, consultants, contractors and other partners from authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, corrupt or improper payments or anything else of value to or from recipients in the public or private sector. Violations of these laws and regulations can result in substantial criminal fines and civil penalties, imprisonment, the loss of trade privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We also expect our international activities to increase over time. We engage third parties to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We can be held liable for the corrupt or other illegal activities of our personnel, agents or other partners, even if we do not explicitly authorize or have prior knowledge of such activities.

Risks Related to the ADSs and This Offering

The price of our ADSs may be volatile and may fluctuate due to factors beyond our control.

The trading market for publicly traded emerging biopharmaceutical and drug discovery and development companies has been highly volatile and is likely to remain highly volatile in the future. The market price of our ADSs may fluctuate significantly due to a variety of factors, including:

- positive or negative results from, or delays in, testing and clinical trials by us, collaborators or competitors;
- technological innovations or commercial product introductions by us or competitors;
- changes in government regulations;
- developments concerning proprietary rights, including patents and litigation matters;
- public concern relating to the commercial value or safety of Acelarin, NUC-3373 or NUC-7738;
- financing, collaborations or other corporate transactions;
- publication of research reports or comments by securities or industry analysts;
- general market conditions in the pharmaceutical industry or in the economy as a whole;
- the loss of any of our key scientific or senior management personnel;
- sales of our ADSs or ordinary shares by us, our senior management and board members, holders of our ADSs or our ordinary shares in the future; or
- other events and factors, many of which are beyond our control.

These and other market and industry factors may cause the market price and demand for our ADSs to fluctuate substantially, regardless of our actual operating performance, which may limit or prevent investors from readily selling their ADSs and may otherwise negatively affect the liquidity of our ADSs. In addition, the stock market in general, and biopharmaceutical companies in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. In the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the issuer. If any of the holders of our ADSs were to bring such a lawsuit against us, we could incur substantial costs defending the lawsuit and the attention of our senior management would be diverted from the operation of our business. Any adverse determination in litigation could also subject us to significant liabilities.

We will incur increased costs as a result of operating as a public company in the United States, and our senior management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, and particularly after we no longer qualify as an "emerging growth company", or EGC, we will incur significant legal, accounting and other expenses that we did not incur previously. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the Nasdaq Global Market, or Nasdaq, and other applicable securities rules and regulations impose various requirements on non-U.S. reporting public companies, including the establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our senior management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, which in turn could make it more difficult for us to attract and retain qualified senior management personnel or members for our board of directors.

However, these rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, we will be required to furnish a report by our senior management on our internal control over financial reporting. However, while we remain an EGC we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To prepare for eventual compliance with Section 404, once we no longer qualify as an EGC, we will be engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

There has been no public market for our ADSs prior to this offering, and an active market may not develop in which investors can resell our ADSs.

Prior this offering, there has been no public market for our ADSs or our ordinary shares and, subsequent to this offering, there will continue not to be a public market for our ordinary shares. We cannot predict the extent to which an active market for our ADSs will develop or be sustained after this offering, or how the development of such a market might affect the market price for our ADSs. The initial public offering price of our ADSs in this offering will be agreed upon between us and the underwriters based on a number of factors, including market conditions in effect at the time of this offering, which may not be indicative of the price at which our ADSs will trade following completion of this offering. Investors may not be able to sell their ADSs at or above the initial public offering price.

Certain of our existing shareholders, members of our board of directors and senior management will maintain the ability to exercise significant control over us. Your interests may conflict with the interests of these existing shareholders.

As of September 15, 2017, after giving effect to the closing of this offering, our senior management, board of directors and greater than 5% shareholders and their respective affiliates, in the aggregate, will own 61.8% of our ordinary shares (including ordinary shares in the form of ADSs), assuming that we sell the number of ADSs set forth on the cover page of this prospectus. Based on the assumed offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, if certain of our existing shareholders purchase all of the securities they have indicated an interest in purchasing in this offering, and assuming that we sell the number of ADSs set forth on the cover page of this prospectus, our senior management, board of directors and greater than 5% shareholders and their respective affiliates, in the aggregate, will own approximately 68.0% of our ordinary shares (including ordinary shares in the form of ADSs). These shareholders either alone or voting together as a group may be in a position to determine or significantly influence the outcome of decisions taken at any such general meeting. Any shareholder or group of shareholders controlling more than 50% of the share capital present and voting at our general meetings of shareholders may control any shareholder resolution requiring a simple majority, including the appointment of board members, certain decisions relating to our capital structure, the approval of certain significant corporate transactions and amendments to our Articles of Association. Among other consequences, this concentration of ownership may have the effect of delaying or preventing a change in control and might therefore negatively affect the market price of our ADSs.

Future sales, or the possibility of future sales, of a substantial number of our ADSs or ordinary shares could adversely affect the price of our ADSs.

Future sales of a substantial number of our ADSs or ordinary shares, or the perception that such sales will occur, could cause a decline in the market price of our ADSs. Based upon the number of shares outstanding as of August 31, 2017, after giving effect to the closing of this offering, we will have 30,881,641 ordinary shares (including ordinary shares in the form of ADSs) outstanding, assuming that we sell the number of ADSs set forth on the cover page of this prospectus. ADSs issued and sold in this offering may be resold in the public market immediately without restriction, unless purchased by our affiliates. A significant portion of our ordinary shares outstanding prior to the completion of this offering will be subject to the lock-up agreements described in “Shares and ADSs Eligible for Future Sale” and “Underwriting.” If, after the end of such lock-up agreements, these shareholders sell substantial amounts of our securities in the public market, or the market perceives that such sales may occur, the market price of our ADSs and our ability to raise capital through an issue of equity securities in the future could be adversely affected. We have also entered into a registration rights agreement to be effective upon the completion of this offering and pursuant to which we have agreed under specified circumstances to file a registration statement to register the resale of the ordinary shares (which may be converted to ADSs) held by some of our existing shareholders, as well as to cooperate in specified public offerings of such shares.

If you purchase ADSs in this offering, you will suffer immediate dilution of your investment.

We expect the initial public offering price of our ADSs in this offering to be substantially higher than the pro forma as adjusted net tangible book value per ADS, and per underlying ordinary share, prior to this offering. Therefore, if you purchase ADSs in this offering, you will pay a price per ADSs, and per underlying ordinary share, that substantially exceeds our net tangible book value per ADS, and per underlying ordinary share, after this offering. To the extent outstanding options are exercised for ordinary shares, you may experience further dilution. Based on the assumed offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, you will experience immediate dilution of $11.24 per ADS, representing the difference between our pro forma as adjusted net tangible book value per ADS after giving effect to this offering and the offering price. See “Dilution.”

Because we do not anticipate paying any cash dividends on our ADSs or ordinary shares in the foreseeable future, capital appreciation, if any, will be your sole source of potential gains and you may never receive a return on your investment.

Under current English law, a company's accumulated realized profits must exceed its accumulated realized losses on a non-consolidated basis before dividends can be paid. Therefore, we must have distributable profits before issuing a dividend. We have not paid dividends in the past on our ordinary shares. We intend to retain earnings, if any, for use in our business and do not anticipate paying any cash dividends in the foreseeable future. As a result, capital appreciation, if any, on our ADSs or ordinary shares will be your sole source of potential gains for the foreseeable future, and you will suffer a loss on your investment if you are unable to sell your ADSs at or above the public offering price. Investors seeking cash dividends should not purchase our ADSs in this offering.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

Our senior management will have broad discretion in the application of the net proceeds from this offering and could spend the proceeds in ways that do not improve our results of operations or enhance the value of our ADSs. The failure by our senior management to apply these funds effectively could result in financial losses, cause the price of our ADSs to decline and delay the development of our product candidates. Pending their use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value.

Purchasers of our ADSs may not have the same voting rights as the holders of our ordinary shares and may not receive voting materials in time to be able to exercise their right to vote.

Except as described in this prospectus, holders of our ADSs will not be able to exercise voting rights attaching to the ordinary shares evidenced by our ADSs on an individual basis. Holders of our ADSs will appoint the depositary or its nominee as their representative to exercise the voting rights attaching to the ordinary shares in the form of ADSs in accordance with the deposit agreement. Purchasers of ADSs in this offering may not receive voting materials in time to instruct the depositary to vote, and it is possible that they, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote. In certain cases, the shares represented by your ADSs may be voted contrary to your instructions and you may be deemed to have instructed the depositary to give a discretionary proxy to a person we designate to vote shares represented by your ADSs in such person's discretion. Furthermore, the depositary will not be liable for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, purchasers of ADSs in this offering may not be able to exercise voting rights and may lack recourse if their ADSs are not voted as requested. In addition, in their capacity as ADS holders, purchasers of our ADSs will not be able to call a shareholders' meeting.

Purchasers of our ADSs may not receive distributions on our ordinary shares in the form of ADSs or any value for them if it is illegal or impractical to make them available to holders of ADSs.

The depositary for our ADSs has agreed to pay to purchasers of our ADSs the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses and certain taxes. Purchasers of our ADSs will receive these distributions in proportion to the number of our ordinary shares their ADSs represent. However, in accordance with the limitations set forth in the deposit agreement, it may be unlawful or impractical to make a distribution available to holders of ADSs. We have no obligation to take any other action to permit the distribution of our ADSs, ordinary shares, rights or anything else to holders of our ADSs. This means that purchasers of our ADSs may not receive the distributions we make on our ordinary shares or any value from them if it is unlawful or impractical to make them available to them. These restrictions may have a negative impact on the market value of our ADSs.

Purchasers of our ADSs may be subject to limitations on transfer of their ADSs.

ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason in accordance with the terms of the deposit agreement.

The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.

We are incorporated under English law. The rights of holders of ordinary shares and, therefore, certain of the rights of holders of ADSs, are governed by English law, including the provisions of the Companies Act 2006, and by our Articles of Association. These rights differ in certain respects from the rights of shareholders in typical U.S. corporations. See "Description of Share Capital—Differences in Corporate Law" in this prospectus for a description of the principal differences between the provisions of the Companies Act 2006 applicable to us and, for example, the Delaware General Corporation Law relating to shareholders' rights and protections.

Shareholder protections found in provisions under the U.K. City Code on Takeovers and Mergers, or the Takeover Code, will not apply if our place of management and control is considered to change to outside the United Kingdom.

We are a public limited company incorporated in England and Wales and have our place of central management and control in the United Kingdom. Accordingly, we are currently subject to the Takeover Code and, as a result, our shareholders are entitled to the benefit of certain takeover offer protections provided under the Takeover Code. The Takeover Code provides a framework within which takeovers of companies are regulated and conducted. If, at the time of a takeover offer, the Panel on Takeovers and Mergers determines that we do not have our place of central management and control in the United Kingdom, then the Takeover Code would not apply to us and our shareholders would not be entitled to the benefit of the various protections that the Takeover Code affords. In particular, we would not be subject to the rules regarding mandatory takeover bids. The following is a brief summary of some of the most important rules of the Takeover Code:

- When a person or group acquires interests in shares carrying 30% or more of the voting rights of a company (which percentage is treated by the Takeover Code as the level at which effective control is obtained), they must make a cash offer to all other shareholders at the highest price paid by them in the 12 months before the offer was announced.
- When interests in shares carrying 10% or more of the voting rights of a class have been acquired by an offeror (i.e. a bidder) in the offer period and the previous 12 months, the offer must include a cash alternative for all shareholders of that class at the highest price paid by the offeror in that period. Further, if an offeror acquires for cash any interest in shares during the offer period, a cash alternative must be made available at a price at least equal to the price paid for such shares.
- If the offeror acquires an interest in shares in an offeree company (i.e. a target) at a price higher than the value of the offer, the offer must be increased accordingly.
- The offeree company must appoint a competent independent adviser whose advice on the financial terms of the offer must be made known to all the shareholders, together with the opinion of the board of directors of the offeree company.
- Favorable deals for selected shareholders are banned.
- All shareholders must be given the same information.
- Those issuing takeover circulars must include statements taking responsibility for the contents.

- Profit forecasts, quantified financial benefits statements and asset valuations must be made to specified standards and must be reported on by professional advisers.
- Misleading, inaccurate or unsubstantiated statements made in documents or to the media must be publicly corrected immediately.
- Actions during the course of an offer by the offeree company, which might frustrate the offer are generally prohibited unless shareholders approve these plans.
- Stringent requirements are laid down for the disclosure of dealings in relevant securities during an offer.
- Employees of both the offeror and the offeree company and the trustees of the offeree company's pension scheme must be informed about an offer. In addition, the offeree company's employee representatives and pension scheme trustees have the right to have a separate opinion on the effects of the offer on employment appended to the offeree board of directors' circular or published on a website.

Claims of U.S. civil liabilities may not be enforceable against us.

We are incorporated under English law. Substantially all of our assets are located outside the United States. The majority of our senior management and board of directors reside outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce judgments obtained in U.S. courts against them or us, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws.

The United States and the United Kingdom do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in England and Wales. In addition, uncertainty exists as to whether the English and Welsh courts would entertain original actions brought in England and Wales against us or our directors or senior management predicated upon the securities laws of the United States or any state in the United States. Any final and conclusive monetary judgment for a definite sum obtained against us in U.S. courts would be treated by the courts of England and Wales as a cause of action in itself and sued upon as a debt so that no retrial of the issues would be necessary, provided that certain requirements are met consistent with English law and public policy. Whether these requirements are met in respect of a judgment based upon the civil liability provisions of the U.S. securities laws is an issue for the English court making such decision. If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose.

As a result, U.S. investors may not be able to enforce against us or our senior management, board of directors or certain experts named herein who are residents of the United Kingdom or countries other than the United States any judgments obtained in U.S. courts in civil and commercial matters, including judgments under the U.S. federal securities laws.

We qualify as a foreign private issuer and, as a result, we will not be subject to U.S. proxy rules and will be subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

Upon the closing of this offering, we will report under the Securities Exchange Act of 1934, as amended, or the Exchange Act, as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (i) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act; (ii) the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and (iii) the rules under

the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, or current reports on Form 8-K upon the occurrence of specified significant events. In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers also are exempt from Regulation Fair Disclosure, aimed at preventing issuers from making selective disclosures of material information. As a result of the above, you may not have the same protections afforded to shareholders of companies that are not foreign private issuers.

As a foreign private issuer, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards. These practices may afford less protection to shareholders than they would enjoy if we complied fully with Nasdaq corporate governance listing standards.

As a foreign private issuer listed on Nasdaq, we will be subject to corporate governance listing standards. However, Nasdaq rules permit a foreign private issuer like us to follow the corporate governance practices of its home country in lieu of certain Nasdaq corporate governance listing standards. Certain corporate governance practices in the United Kingdom, which is our home country, may differ significantly from Nasdaq corporate governance listing standards. For example, neither the corporate laws of the United Kingdom nor our Articles of Association require a majority of our directors to be independent; we can and intend to include non-independent directors as members of our nominations and remuneration committees; and our independent directors would not necessarily hold regularly scheduled meetings at which only independent directors are present. Therefore, our shareholders may be afforded less protection than they otherwise would have under Nasdaq corporate governance listing standards applicable to U.S. domestic issuers. See “Management—Foreign Private Issuer Exemption.”

We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act’s domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

As a foreign private issuer, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We may no longer be a foreign private issuer as of June 30, 2018 (the end of our second fiscal quarter in the fiscal year after this offering), which would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers as of January 1, 2019. In order to maintain our current status as a foreign private issuer, either (a) a majority of our voting securities must be either directly or indirectly owned of record by non-residents of the United States or (b)(i) a majority of our executive officers or directors cannot be U.S. citizens or residents, (ii) more than 50% of our assets must be located outside the United States and (iii) our business must be administered principally outside the United States. If we lose our status as a foreign private issuer, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers. We may also be required to make changes in our corporate governance practices in accordance with various SEC and Nasdaq rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the cost we would incur as a foreign private issuer. As a result, we expect that a loss of foreign private issuer status would increase our legal and financial compliance costs and would make some activities highly time consuming and costly. We also expect that if we were required to comply with the rules and regulations applicable to U.S. domestic issuers, it would make it more difficult and expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors.

We are an "emerging growth company," and we cannot be certain if the reduced reporting requirements applicable to "emerging growth companies" will make our ADSs less attractive to investors.

We are an EGC as defined in the JOBS Act. For as long as we continue to be an EGC, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not EGCs, including not being required to comply with the auditor attestation requirements of Section 404, exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved. As an EGC, we are able to report only two years of financial results and selected financial data compared to three and five years, respectively, for comparable data reported by other public companies. We may take advantage of these exemptions until we are no longer an EGC. We could be an EGC for up to five years, although circumstances could cause us to lose that status earlier, including if the aggregate market value of our ADSs and ordinary shares held by non-affiliates exceeds $700 million as of the end of our second fiscal quarter before that time, in which case we would no longer be an EGC as of the following December 31st (the last day of our fiscal year). We cannot predict if investors will find our ADSs less attractive because we may rely on these exemptions. If some investors find our ADSs less attractive as a result, there may be a less active trading market for our ADSs and the price of our ADSs may be more volatile.

If we fail to maintain an effective system of internal controls over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, shareholders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our ADSs.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause us to fail to meet our reporting obligations. In addition, any testing by us conducted in connection with Section 404, or any subsequent testing by our independent registered public accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to our financial statements or identify other areas for further attention or improvement. Inadequate internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our ADSs.

Management will be required to assess the effectiveness of our internal controls annually. However, for as long as we are an EGC under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404. An independent assessment of the effectiveness of our internal controls could detect problems that our management's assessment might not. Undetected material weaknesses in our internal controls could lead to financial statement restatements requiring us to incur the expense of remediation and could also result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price of our ADSs and our trading volume could decline.

The trading market for our ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. Securities and industry analysts do not currently, and may never, publish research on us. If no or too few securities or industry analysts commence coverage on us, the trading price for our ADSs would likely be negatively affected. In the event securities or industry analysts initiate coverage, if one or more of the analysts who cover us downgrade our ADSs or publish inaccurate or unfavorable research about our business, the price of our ADSs would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our ADSs could decrease, which might cause the price of our ADSs and trading volume to decline.

We may be classified as a passive foreign investment company, or a PFIC, in any taxable year and U.S. holders of our ADSs could be subject to adverse U.S. federal income tax consequences.

Generally, if for any taxable year, at least 75% of our gross income is passive income, or at least 50% of the value of our assets is attributable to assets that produce passive income or are held for the production of passive income, including cash, we would be characterized as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes. The determination of whether we are a PFIC depends on the particular facts and circumstances (such as the valuation of our assets, including goodwill and other intangible assets, and the characterization of our income, including whether certain research and development tax credits received from the government of the United Kingdom will constitute gross income, and if they do, whether they will constitute passive income for purposes of the PFIC income test) and may also be affected by the application of the PFIC rules, which are subject to differing interpretations. Based on our estimated gross income, the average value of our assets, including goodwill and the nature of our active business, we do not expect to be treated as a PFIC for U.S. federal income tax purposes for the taxable year ending December 31, 2017.

If we are a PFIC, U.S. holders of our ADSs may be subject to adverse U.S. federal income tax consequences, such as the ineligibility for any preferred tax rates on capital gains or on actual or deemed dividends for individuals who are U.S. holders, having interest apply to distributions by us and the proceeds of sales of the ADSs, and additional reporting requirements under U.S. federal income tax laws and regulations. Investors should consult their own tax advisors regarding all aspects of the application of the PFIC rules to our ADSs. For more information related to classification as a PFIC, see “Taxation—Material U.S. Federal Income Tax Consideration—Passive Foreign Investment Company Considerations.”

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains estimates and forward-looking statements, principally in the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." Some of the matters discussed concerning our operations and financial performance include forward-looking statements and estimates within the meaning of the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect" and similar words are intended to identify forward-looking statements and estimates. Forward-looking statements include, but are not limited to, statements about:

- the development of Acelarin, NUC-3373 and NUC-7738, including statements regarding the expected initiation, timing, progress and availability of data from our clinical trials;
- the potential attributes and benefit of our ProTides and their competitive positions;
- our ability to successfully commercialize our ProTides, if approved;
- our expectations regarding the use of proceeds from this offering;
- our estimates regarding expenses, capital requirements and our need for additional financing;
- our ability to acquire or in-license new product candidates;
- potential collaborations; and
- the duration of our patent portfolio.

These forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors that could cause our actual results of operations, financial condition, liquidity, performance, prospects, opportunities, achievements or industry results, as well as those of the markets we serve or intend to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Factors that could cause actual results, financial condition, liquidity, performance, prospects, opportunities, achievements or industry results to differ materially include, but are not limited to, those discussed under "Risk Factors" in this prospectus. Additional risks that we may currently deem immaterial or that are not presently known to us could also cause the forward-looking events discussed in this prospectus not to occur. These forward-looking statements are based on assumptions regarding our present and future business strategies and the environment in which we expect to operate in the future.

Forward-looking statements and estimates speak only at the date they were made, and we undertake no obligation to update or to review any forward-looking statement or estimate because of new information, future events or other factors. Forward-looking statements and estimates involve risks and uncertainties and are not guarantees of future performance. Our future results may differ materially from those expressed in these forward-looking statements and estimates.

In light of the risks and uncertainties described above, the forward-looking statements and estimates discussed in this prospectus might not occur and our future results and our performance may differ materially from those expressed in these forward-looking statements and estimates due to, inclusive of, but not limited to, the factors mentioned above. Because of these uncertainties, you should not make any investment decision based on these forward-looking statements and estimates.

EXCHANGE RATES

Fluctuations in the exchange rate between the pound sterling and the U.S. dollar will affect the U.S. dollar amounts received by owners of the ADSs on conversion of dividends, if any, paid in pound sterling on the ordinary shares and will affect the U.S. dollar price of the ADSs on Nasdaq. The table below shows the period end, average, high and low exchange rates of U.S. dollars per pound sterling for the periods shown. Average rates are computed by using the noon buying rate of the Federal Reserve Bank of New York for the U.S. dollar on the last business day of each month during the relevant year indicated or each business day during the relevant month indicated. The rates set forth below are provided solely for your convenience and may differ from the actual rates used in the preparation of our consolidated financial statements included in this prospectus and other financial data appearing in this prospectus.

	Noon Buying Rate			
	Period End	Average(1)	High	Low
	($ per £ 1.00)			
Period:				
2012	1.6262	1.5924	1.6275	1.5301
2013	1.6574	1.5668	1.6574	1.4837
2014	1.5578	1.6461	1.7165	1.5517
2015	1.4746	1.5250	1.2155	1.4800
2016	1.2337	1.3444	1.4648	1.5882
2017 (through September 8)	1.2888	1.2854	1.3236	1.2118
January 2017	1.2585	1.2355	1.2620	1.2118
February 2017	1.2427	1.2495	1.2643	1.2427
March 2017	1.2537	1.2347	1.2583	1.2152
April 2017	1.2938	1.2639	1.2938	1.2398
May 2017	1.2905	1.2929	1.3018	1.2795
June 2017	1.2995	1.2810	1.2995	1.2628
July 2017	1.3196	1.2996	1.3196	1.2851
August 2017	1.2888	1.2952	1.3236	1.2787
September 2017 (through September 8)	1.3211	1.3073	1.3211	1.2972

(1) The average of the noon buying rate for pounds sterling on the last day of each full month during the relevant year or each business day during the relevant month indicated.

On September 8, 2017, the noon buying rate of the Federal Reserve Bank of New York for the U.S. dollar was £1.00 to $1.3211.

USE OF PROCEEDS

We estimate that we will receive total estimated net proceeds from this offering of approximately $90.7 million, assuming an initial public offering price per ADS of $15.00, which is the midpoint of the price range set forth on the cover page of this prospectus after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters exercise their over-allotment option in full, we estimate that the net proceeds to us from this offering will be approximately $104.7 million.

We intend to use the net proceeds we receive from this offering, together with our existing cash and cash equivalents, as follows:

- approximately $38.0 to $50.0 million to further the development of Acelarin, including (i) completing an ongoing Phase 2 trial, completing a planned Phase 2 trial in combination with Avastin, and initiating a planned Phase 3 trial in combination with carboplatin, each in patients with ovarian cancer, (ii) completing an ongoing Phase 1b trial in combination with cisplatin and initiating a planned Phase 3 trial in combination with cisplatin, each in patients with biliary cancer, and (iii) funding the ongoing Phase III trial in pancreatic cancer that is being facilitated by The National Cancer Research Institute in the United Kingdom;
- approximately $28.0 to $35.0 million to further the development of NUC-3373, including (i) completing a Phase 1 trial in patients with advanced solid tumors, (ii) completing a Phase 1b trial and initiating a Phase 3 trial, each in patients with colorectal cancer, and (iii) completing a Phase 2 trial in patients with breast cancer;
- approximately $3.0 to $4.0 million to further the development of NUC-7738, including completing a Phase 1 trial in patients with solid tumors and a Phase 1 trial in patients with hematological malignancies; and
- the remaining proceeds to fund other research and development activities, working capital and other general corporate purposes, including costs and expenses of being a public company.

Each $1.00 increase or decrease in the assumed initial public offering price per ADS would increase or decrease our net proceeds, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, by approximately $6.2 million, assuming that the number of ADSs offered by us remains the same. An increase or decrease of 1,000,000 ADSs from the expected number of ADSs to be sold in this offering, assuming no change in the assumed initial public offering price per ADS, would increase or decrease our net proceeds from this offering by $14.0 million, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

This expected use of the net proceeds from this offering and our existing cash and cash equivalents represents our intentions based upon our current plans and business conditions, which could change in the future as our plans and business conditions evolve. The amounts and timing of our actual expenditures may vary significantly depending on numerous factors, including the progress of our development and commercialization efforts, the status of and results from clinical trials, any collaborations that we may enter into with third parties for our product candidates and any unforeseen cash needs. Moreover, our estimates of the costs to fund our trials are based on the current designs of the trials. If we were to modify the design of any of these trials, for instance, to increase the number of patients in the trials, our costs to fund the trials could increase. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering.

Based on our planned use of the net proceeds of this offering and our current cash and cash equivalents, we estimate that such funds will be sufficient to enable us to fund our operating expenses and capital expenditure requirements at least through the first quarter of 2020. We have based this estimate on assumptions that may prove to be incorrect, and we could use our available capital resources sooner than we currently expect.

Pending specific utilization of the net proceeds as described above, we intend to invest the net proceeds from this offering in short- and intermediate-term interest-bearing obligations and certificates of deposit.

DIVIDENDS AND DIVIDEND POLICY

Since our incorporation, we have not declared or paid any dividends on any class of our issued share capital. We intend to retain any earnings for use in our business and do not currently intend to pay dividends on our ordinary shares. The declaration and payment of any future dividends will be at the discretion of our board of directors and will depend upon our results of operations, cash requirements, financial condition, contractual restrictions, any future debt agreements or applicable laws and other factors that our board of directors may deem relevant.

CAPITALIZATION

The following table presents our total capitalization and cash and cash equivalents as of June 30, 2017 on:

- an actual basis;
- a pro forma basis to give effect to the automatic conversion, immediately prior to the completion of this offering, of all issued series A convertible participating shares, series B convertible participating shares, founder ordinary 1 shares and founder ordinary 2 shares into ordinary shares on a one-for-one basis; and
- a pro forma as adjusted basis to give further effect to the sale by us of 6,667,000 ADSs in this offering at an offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table in conjunction with our unaudited consolidated financial statements, audited consolidated financial statements and related notes appearing elsewhere in this prospectus and "Exchange Rate Information," "Use of Proceeds," "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	As of June 30, 2017		
	Actual (unaudited)	Pro Forma	Pro Forma as Adjusted(1)
		(in thousands)	
Cash and cash equivalents	£ 15,918	£ 15,918	£ 85,748
Total equity attributable to equity holders:			
Founder ordinary 1 shares, nominal value £0.04 per share, 1,000,000 shares issued and outstanding, actual; no shares issued and outstanding, pro forma and pro forma as adjusted	£ 40	£ —	£ —
Founder ordinary 2 shares, nominal value £0.04 per share, 1,000,000 shares issued and outstanding, actual; no shares issued and outstanding, pro forma and pro forma as adjusted	40	—	—
Series A convertible participating shares, nominal value £0.04 per share, 7,483,334 shares issued and outstanding, actual; no shares issued and outstanding, pro forma and pro forma as adjusted	299	—	—
Series B convertible participating shares, nominal value £0.004 per share, 8,462,500 shares issued and outstanding, actual; no shares issued and outstanding, pro forma and pro forma as adjusted	34	—	—
Ordinary shares, nominal value £0.04 per share, 6,238,807 shares issued and outstanding, actual; 24,184,641 shares issued and outstanding, pro forma; and 30,881,641 shares issued and outstanding, pro forma as adjusted	250	967	1,234
Share premium	304	—	71,303
Share option reserve	4,938	4,938	4,938
Accumulated deficit	(26,641)	(26,641)	(28,381)
Capital reserve(2)	42,466	42,466	42,466
Own share reserve	(339)	(339)	(339)
Foreign currency translation reserve	(4)	(4)	(4)
Total equity	21,387	21,387	91,217
Total capitalization	£ 21,387	£ 21,387	£ 91,217

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease the pro forma as adjusted amount of each of cash and cash equivalents, total equity and total capitalization by £4.8 million, assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase or decrease of 1,000,000 in the number of ADSs offered by us, as set forth on the cover page of this prospectus, would increase or decrease the pro forma as adjusted amount of each of cash and cash equivalents, total equity and total capitalization by £10.7, assuming no change in the assumed initial public offering price per ADS and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(2) The capital reserve balance arose from the reduction of our share premium account and corresponding increase to our capital reserve account reflected as of June 30, 2017 in connection with our re-registration as a public limited company, as further described in footnote 10 to the unaudited consolidated interim financial statements.

The number of our ordinary shares to be outstanding immediately after this offering is based on 24,184,641 of our shares outstanding as of June 30, 2017, and gives effect to the automatic conversion, immediately prior to the completion of this offering, of all issued series A convertible participating shares, series B convertible participating shares, founder ordinary 1 shares and founder ordinary 2 shares into ordinary shares on a one-for-one basis.

The outstanding share information excludes:

- 3,233,937 ordinary shares issuable upon exercise of outstanding options under our equity compensation plans as of June 30, 2017 at a weighted average exercise price of £0.71 per share;
- 30,000 ordinary shares issued upon exercise of options under our equity incentive plans subsequent to June 30, 2017 at an exercise price of £4.00 per share;
- 1,261,783 ordinary shares issuable upon exercise of outstanding options under our equity incentive plans that were granted after June 30, 2017 at a weighted average exercise price of £1.09 per share;
- 215,782 ordinary shares issuable upon exercise of options approved for grant under our equity incentive plans as of and in connection with the pricing of this offering to be issued at an exercise price equal to the initial public offering price per ADS in this offering; and
- 3,545,409 ordinary shares authorized for issuance pursuant to future awards under our equity incentive plans.

DILUTION

If you invest in the ADSs, your interest will be diluted to the extent of the difference between the initial public offering price per ADS and our pro forma net tangible book value per ADS after this offering. Our net tangible book value as of June 30, 2017 was £19.6 million, or £3.14 per ordinary share, equivalent to $4.08 per ordinary share and $4.08 per ADS. Net tangible book value represents the amount of total assets minus intangible assets and total liabilities. Net tangible book value per share represents net tangible book value divided by the total number of ordinary shares outstanding.

After giving effect to the automatic conversion, immediately prior to the completion of this offering, of all issued series A convertible participating shares, series B convertible participating shares, founder ordinary 1 shares and founder ordinary 2 shares into ordinary shares on a one-for-one basis, our pro forma net tangible book value as of June 30, 2017 would have been £0.81 per ordinary share, equivalent to $1.05 per ordinary share and $1.05 per ADS.

After giving further effect to the sale by us of 6,667,000 ADSs in this offering at an assumed initial public offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of June 30, 2017 would have been £2.90 per ordinary share, equivalent to $3.77 per ordinary share and $3.77 per ADS. This represents an immediate increase in pro forma net tangible book value of $2.72 per ordinary share and ADS to existing shareholders and an immediate dilution in pro forma net tangible book value of $11.23 per ordinary share and ADS to purchasers of ADSs in this offering. The following table presents this dilution to new investors purchasing ADSs in the offering:

Assumed initial public offering price per ADS		$15.00
Net tangible book value per ADS as of June 30, 2017	$ 4.08	
Decrease per ADS attributable to the pro forma adjustments described above	(3.03)	
Pro forma net tangible book value per ADS as of June 30, 2017	1.05	
Increase in pro forma net tangible book value per ADS attributable to this offering	2.72	
Pro forma as adjusted net tangible book value per ordinary share and ADS after this offering		3.77
Dilution per ADS to new investors in this offering		$11.23

If the underwriters exercise their over-allotment option in full, the pro forma as adjusted net tangible book value per ADS after the offering would be $4.08, the increase in net tangible book value per ordinary share and ADS to existing shareholders would be $3.03 and the immediate dilution in net tangible book value per ordinary share and ADS to new investors in this offering would be $10.92.

Each $1.00 increase or decrease in the assumed initial public offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease the pro forma as adjusted net tangible book value after this offering by $0.20 per ordinary share and ADS and the dilution to new investors in this offering by $0.80 per ADS, assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase of 1,000,000 in the number of ADSs offered by us, as set forth on the cover page of this prospectus, would increase the pro forma as adjusted net tangible book value after this offering by $0.32 per ordinary share and ADS and decrease the dilution to new investors in this offering by $0.32 per ADS, assuming no change in the assumed initial public offering price per ADS and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. A decrease of 1,000,000 in the number of ADSs offered by us, as set forth on the cover page of this prospectus, would decrease the pro forma as adjusted net tangible book value after this offering by $0.34 per ordinary share and ADS and increase the dilution to new investors in this offering by $0.34 per ADS, assuming no change in the assumed initial public offering price per ADS and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, on the pro forma as adjusted basis described above as of June 30, 2017, the differences between the existing shareholders and the new investors in this offering with respect to the number of ordinary shares purchased from us (including ordinary shares underlying ADSs), the total consideration paid to us and the average price per ordinary share (including ordinary shares underlying ADSs), based on an assumed initial public offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

	Ordinary Shares Purchased(1)		Total Consideration		Average Price per Ordinary Share(1)
	Number	%	Amount	%	
Existing shareholders	24,184,641	78.4%	$ 56,441,020 (2)	36.1%	$ 2.33
New investors	6,667,000	21.6	100,005,000	63.9	15.00
Total	30,851,641	100.0%	$156,446,020	100.0%	

(1) Including ordinary shares underlying ADSs.

(2) Reflects £43,432,874 translated into U.S. dollars at the noon buying rate of the Federal Reserve Bank of New York on June 30, 2017 of £1.00 to $1.2995.

Each $1.00 increase or decrease in the assumed initial public offering price of $15.00 per ADS, which is the midpoint of the price range on the cover page of this prospectus, would increase or decrease the total consideration paid by new investors by $6.7 million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by 1.5 percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by 1.6 percentage points, assuming that the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same. An increase or decrease of 1,000,000 in the number of ADSs offered by us, as set forth on the cover page of this prospectus, would increase or decrease the total consideration paid by new investors by $15.0 million and, in the case of an increase, would increase the percentage of total consideration paid by new investors by 3.2 percentage points and, in the case of a decrease, would decrease the percentage of total consideration paid by new investors by 3.8 percentage points, assuming no change in the assumed initial public offering price per ADS.

If the underwriters exercise their over-allotment option in full, the percentage of ordinary shares held by existing shareholders will decrease to 76.0% of the total number of ordinary shares outstanding after the offering, and the number of shares held by new investors will be increased to 7,667,050, or 24.0% of the total number of ordinary shares outstanding after this offering.

The share information above excludes:

- 3,233,937 ordinary shares issuable upon exercise of outstanding options under our equity incentive plans, as of June 30, 2017 at a weighted average exercise price of £0.71 per share;
- 30,000 ordinary shares issued upon exercise of options under our equity incentive plans subsequent to June 30, 2017 at a weighted average exercise price of £4.00 per share;
- 1,261,783 ordinary shares issuable upon exercise of outstanding options under our equity incentive plans that were granted after June 30, 2017 at a weighted average exercise price of £1.09 per share;
- 215,782 ordinary shares issuable upon exercise of options approved for grant under our equity incentive plans as of and in connection with the pricing of this offering to be issued at an exercise price equal to the initial public offering price per ADS in this offering; and
- 3,545,409 ordinary shares authorized for issuance pursuant to future awards under our equity incentive plans.

To the extent these outstanding options or any newly issued options are exercised, there will be further dilution to the new investors purchasing ADSs in this offering.

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data as of the dates and for the periods indicated. The selected consolidated financial data as of and for the years ended December 31, 2015 and 2016 have been derived from our consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, and audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) and included elsewhere in this prospectus. The consolidated financial data as of and for the six months ended June 30, 2016 and 2017 have been derived from our unaudited consolidated interim financial statements included elsewhere in this prospectus. The unaudited consolidated interim financial statements have been prepared on the same basis as our audited consolidated financial statements and include all normal recurring adjustments that we consider necessary for a fair statement of our financial position and operating results as of the dates and for the periods presented.

Our historical results are not necessarily indicative of the results that may be expected in the future. The following selected consolidated financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements included elsewhere in this prospectus.

	Year Ended December 31,		Six Months Ended June 30,	
	2015	2016	2016	2017
			(unaudited)	
	(in thousands, except per share data)			
Consolidated statement of comprehensive loss data:				
Research and development expenses	£ (5,655)	£ (7,904)	£ (3,784)	£ (3,689)
Administrative expenses	(1,251)	(1,143)	(908)	(637)
Initial public offering related expenses	—	—	—	(1,066)
Net foreign exchange (losses) gains	(8)	599	318	(161)
Operating loss	(6,914)	(8,448)	(4,374)	(5,553)
Finance income	406	283	167	91
Loss before tax	(6,508)	(8,165)	(4,207)	(5,462)
Income tax credit	1,176	2,116	1,090	1,077
Loss for the period	(5,332)	(6,049)	(3,117)	(4,385)
Other comprehensive (expense) income:				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of foreign operations	(1)	(2)	4	(1)
Total comprehensive loss for the period	£ (5,333)	£ (6,051)	£ (3,113)	£ (4,386)
Basic and diluted loss per share	£ (0.22)	£ (0.25)	£ (0.13)	£ (0.18)

	As of December 31,		As of June 30,
	2015	2016	2017
			(unaudited)
	(in thousands)		
Consolidated statement of financial position data:			
Cash, cash equivalents and short-term deposits	£ 29,187	£ 19,990	£ 15,918
Total assets	31,685	27,214	23,643
Share capital	659	663	663
Share premium	42,574	42,770	304
Accumulated deficit	(16,224)	(22,256)	(26,641)
Capital reserve(1)	—	—	42,466
Total equity attributable to equity holders	29,960	25,241	21,387
Total liabilities	(1,725)	(1,973)	(2,256)

(1) The capital reserve balance arose from the reduction of our share premium account and corresponding increase to our capital reserve account reflected as of June 30, 2017 in connection with our re-registration as a public limited company, as further described in footnote 10 to the unaudited consolidated interim financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of financial condition and operating results together with the information in "Selected Consolidated Financial Data" and our consolidated financial statements and the related notes to those statements included elsewhere in this prospectus. We present our consolidated financial statements in pounds sterling and in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, which may differ in material respects from generally accepted accounting principles in other jurisdictions, including generally accepted accounting principles in the United States, or U.S. GAAP.

The statements in this discussion regarding industry outlook, our expectations regarding our future performance, liquidity and capital resources and other non-historical statements are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including the risks and uncertainties described in the sections titled "Risk Factors." Our actual results may differ materially from those contained in or implied by any forward-looking statements.

Overview

We are a clinical-stage biopharmaceutical company focused on significantly improving treatment outcomes for cancer patients by applying our ProTide technology to transform some of the most widely prescribed chemotherapy agents, nucleoside analogs, into more effective and safer medicines. While these conventional agents remain part of the standard of care for the treatment of many solid tumors, their efficacy is limited by cancer cell resistance mechanisms and they are often poorly tolerated. Utilizing our proprietary technology, we are developing new medicines, ProTides, designed to overcome key cancer resistance mechanisms and generate much higher concentrations of anti-cancer metabolites in cancer cells. Our most advanced ProTide candidates, Acelarin and NUC-3373, are new chemical entities derived from the nucleoside analogs gemcitabine and 5-fluorouracil, respectively, two widely used chemotherapy agents. Acelarin is currently being evaluated in four clinical trials across several solid tumor indications, including ovarian cancer, biliary cancer and pancreatic cancer. NUC-3373 is currently in a Phase 1 trial for the potential treatment of a wide range of advanced solid tumor cancers. We have retained worldwide rights to these lead product candidates as well as our preclinical product candidates, all of which we refer to as ProTides.

Acelarin, our most advanced product candidate, is a ProTide transformation of gemcitabine. We have begun a Phase 2 trial of Acelarin in patients with platinum-resistant ovarian cancer for which we expect to report interim data in 2018. Acelarin is also being evaluated in another Phase 1b trial in patients with biliary cancer to determine its optimal dose in combination with cisplatin. We expect to report data from this trial in 2018, after which we plan to commence a multi-national Phase 3 trial. In addition, the National Cancer Research Institute in the United Kingdom is facilitating a Phase 3 trial of Acelarin for the treatment of patients with pancreatic cancer.

NUC-3373, our second product candidate, is a ProTide transformation of the active anti-cancer metabolite of 5-fluorouracil, or 5-FU. NUC-3373 is currently being evaluated in a Phase 1 clinical trial of patients with advanced solid tumors for which we reported interim data in September 2017. We expect to report final data from this trial in 2018. Contingent on regulatory guidance and other factors, we plan to initiate a number of clinical trials in 2018: a Phase 1b trial of NUC-3373 in patients with colorectal cancer together with other agents routinely used in 5-FU combination regimens; a Phase 3 trial in patients with advanced colorectal cancer; and a Phase 2 trial in patients with advanced breast cancer.

NUC-7738, our third product candidate, is a ProTide transformation of cordycepin, a novel nucleoside analog that has shown potent anti-cancer activity in preclinical studies. We are evaluating NUC-7738 in preclinical studies and we expect to initiate a Phase 1 clinical trial in 2018.

We do not have any approved products and, as a result, have not generated any revenue from product sales or otherwise. Our ability to generate revenue sufficient to achieve profitability will depend on our successful

development and eventual commercialization of our product candidates, if approved, for one or more of their targeted indications. Since our inception, we have incurred significant operating losses. For the years ended December 31, 2015 and 2016, we incurred net losses of £5.3 million and £6.0 million, respectively. For the six months ended June 30, 2016 and 2017, we incurred net losses of £3.1 million and £4.4 million, respectively. As of June 30, 2017, we had an accumulated deficit of £26.6 million.

We expect to incur significant expenses and operating losses for the foreseeable future as we advance the clinical development of our ProTides, and seek regulatory approval and pursue commercialization of our product candidates, if approved. In addition, if we obtain regulatory approval for our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. In addition, we may incur expenses in connection with the in-license or acquisition of additional product candidates and the potential clinical development of any such product candidates. Furthermore, after the closing of this offering, we expect to incur additional costs associated with operating as a foreign private issuer listed on the Nasdaq Global Market, or Nasdaq, including significant legal, accounting, investor relations and other expenses that we did not previously incur as a private company.

As a result of these anticipated expenditures, we will need additional financing to support our continuing operations. Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operations through a combination of public or private equity or debt financings or other sources, which may include collaborations with third parties. Adequate additional financing may not be available to us on acceptable terms, or at all. Our inability to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. We will need to generate significant revenue to achieve profitability, and we may never do so.

We were incorporated under the laws of England and Wales in 1997 and commenced business operations in 2008. On August 29, 2017, we re-registered as a public limited company and changed our name from NuCana BioMed Limited to NuCana plc. Our principal executive offices are located in Edinburgh, United Kingdom. We have raised £43.4 million in gross proceeds from investors since our incorporation, of which £33.9 million was raised in our most recent equity financing in 2014, primarily with a number of European and U.S.-based institutional investors.

Strategic Licensing Agreements

In August 2009, we entered into a research, collaboration and license agreement with Cardiff University and University College Cardiff Consultants Ltd., or Cardiff Consultants, which we refer to as the Cardiff Agreement. Under the Cardiff Agreement, we collaborate with Cardiff University in the design, synthesis, characterization and evaluation of phosphoramidate prodrugs, which we refer to as ProTides, based on certain nucleosides. We are responsible for funding certain work performed by Cardiff University and making other payments, which we expect will total approximately £141,350 in aggregate in 2017. On our filing, or that of a sublicensee, of patent applications resulting from research under the Cardiff Agreement, we will owe Cardiff Consultants certain immaterial payments. If we or our sublicensees develop and commercialize a product resulting from such research, we will owe Cardiff Consultants clinical development milestone payments of up to £1,875,000; provided, that such milestone payments are due only with respect to the first product within each nucleoside family to achieve the milestone. We will also owe Cardiff Consultants royalties equal to a low-single digit percentage on our sales of a product resulting from such research. Should we sublicense our right to commercialize a product resulting from the research, we will owe Cardiff Consultants a high-single digit percentage of payments received in consideration of the sublicense.

In October 2009, we entered into a license and collaboration agreement with Cardiff ProTides Ltd., or Cardiff ProTides, which agreement was subsequently amended and restated as an assignment, license and collaboration agreement in March 2012 and was further amended in May 2012, which we refer to as the ProTides Agreement. Under the ProTides Agreement, we collaborated with Cardiff ProTides in the discovery, drug design

and in vitro screening of purine and pyrimidine based nucleosides as potential drug candidates. If we or a sublicensee develop one or more products covered by a valid claim of an assigned patent or patent resulting from Cardiff ProTides' research, such as Acelarin, we will owe Cardiff ProTides up to approximately $4.5 million in development and approval milestone payments in the aggregate for the first such product. Additional development and approval milestones would be payable for the first additional product in a new nucleoside series covered by a valid claim of an assigned patent or a patent resulting from Cardiff ProTides' research, although the maximum potential value of such milestone payments is approximately half the value of the milestone payments associated with the first product. We will also owe Cardiff ProTides royalties equal to a percentage in mid- to high-single digits on sales of such products, subject to reduction under certain circumstances. Royalties on sales by sublicensees are set by formula, which formula would be likely to result in a royalty in the mid-single digits.

Financial Operations Overview

Revenues

We do not have any approved products. Accordingly, we have not generated any revenue, and we do not expect to generate any revenue from the sale of any products unless and until we obtain regulatory approvals for, and commercialize any of, our product candidates. In the future, we will seek to generate revenue primarily from product sales and, potentially, regional or global collaborations with strategic partners.

Operating Expenses

We classify our operating expenses into two categories: research and development expenses and administrative expenses. Personnel costs, including salaries, benefits, bonuses and share-based payment expense, comprise a significant component of each of these expense categories. We allocate expenses associated with personnel costs based on the function performed by the respective employees.

Research and Development Expenses. The largest component of our total operating expenses since inception has been costs related to our research and development activities, including the preclinical and clinical development of our product candidates.

Research and development costs are expensed as incurred. Our research and development expense primarily consists of:

- costs incurred under agreements with contract research organizations, or CROs, and investigative sites that conduct preclinical studies and clinical trials;
- costs related to manufacturing active pharmaceutical ingredients and drug products for preclinical studies and clinical trials;
- salaries and personnel-related costs, including bonuses, benefits and any share-based payment expense, for our personnel performing research and development activities or managing those activities that have been out-sourced;
- fees paid to consultants and other third parties who support our product candidate development;
- other costs incurred in seeking regulatory approval of our product candidates;
- costs of related office space allocated to our research and development function, materials and equipment; and
- payments under our license agreements.

The successful development of our product candidates is highly uncertain. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Accordingly, we

expect research and development costs to increase significantly for the foreseeable future as programs progress. However, we do not believe that it is possible at this time to accurately project total program-specific expenses through commercialization. We are also unable to predict when, if ever, material net cash inflows will commence from our product candidates to offset these expenses. Our expenditures on current and future preclinical and clinical development programs are subject to numerous uncertainties in timing and cost to completion.

The duration, costs and timing of clinical trials and development of our product candidates will depend on a variety of factors including:

- the scope, rate of progress, results and expenses of our ongoing and future clinical trials, preclinical studies and research and development activities;
- the potential need for additional clinical trials or preclinical studies requested by regulatory agencies;
- potential uncertainties in clinical trial enrollment rates or drop-out or discontinuation rates of patients;
- competition with other drug development companies in, and the related expense of, identifying and enrolling patients in our clinical trials and contracting with third-party manufacturers for the production of the drug product needed for our clinical trials;
- the achievement of milestones requiring payments under in-licensing agreements;
- any significant changes in government regulation;
- the terms and timing of any regulatory approvals;
- the expense of filing, prosecuting, defending and enforcing patent claims and other intellectual property rights; and
- the ability to market, commercialize and achieve market acceptance for any of our product candidates, if approved.

We track research and development expenses on a program-by-program basis for both clinical-stage and preclinical product candidates. Manufacturing and nonclinical research and development expenses are assigned or allocated to individual product candidates.

Administrative Expenses. Administrative expenses consist of personnel costs, allocated expenses and other expenses for outside professional services, including legal, audit and accounting services. Personnel costs consist of salaries, bonuses, benefits and share-based payment expense. Other administrative expenses include office space-related costs not otherwise allocated to research and development expense, professional fees and costs of our information systems. We anticipate that our administrative expenses will continue to increase in the future as we increase our headcount to support our continued research and development and potential commercialization of our product candidates. We also expect to incur additional expenses as a public company, including expenses related to compliance with the rules and regulations of the SEC and Nasdaq, additional insurance expenses, and expenses related to investor relations activities and other administrative and professional services.

Initial Public Offering Related Expenses

Initial public offering, or IPO, related expenses primarily relates to legal, accounting and other advisors' fees in relation to our anticipated IPO.

Net Foreign Exchange Gains (Losses)

Net foreign exchange gains (losses) primarily includes gains or losses on cash held in U.S. dollars and on advances paid to suppliers.

Finance Income

Finance income relates to interest earned on our cash, cash equivalents and short-term deposits.

Income Tax Credit

We are subject to corporate taxation in the United Kingdom. Our wholly owned U.S. subsidiary, NuCana, Inc., is subject to corporate taxation in the United States. Due to the nature of our business, we have generated losses since inception. Our income tax credit recognized represents the sum of the research and development tax credits recoverable in the United Kingdom and income tax payable in the United States.

As a company that carries out extensive research and development activities, we benefit from the U.K. research and development tax credit regime and are able to surrender some of our losses for a cash rebate of up to 33.35% of expenditures related to eligible research and development projects. Qualifying expenditures largely comprise clinical trial and manufacturing costs, employment costs for relevant staff and consumables incurred as part of research and development projects. Certain subcontracted qualifying research and development expenditures are eligible for a cash rebate of up to 21.68%. A large portion of costs relating to our research and development, clinical trials and manufacturing activities are eligible for inclusion within these tax credit cash rebate claims.

We may not be able to continue to claim research and development tax credits in the future under the current research and development tax credit scheme when we become a public company because we may no longer qualify as a small or medium-sized company. However, we may be able to file under a large company scheme.

Unsurrendered tax losses are carried forward to be offset against future taxable profits. After accounting for tax credits receivable, there were accumulated tax losses for carry forward in the United Kingdom of £8.5 million as of June 30, 2017. There were also temporary differences on share-based compensation arrangements of £31.4 million. No deferred tax asset is recognized in respect of accumulated tax losses or temporary differences on share-based compensation arrangements because future profits are not sufficiently certain.

In the event we generate revenues in the future, we may benefit from the new “patent box” initiative that allows profits attributable to revenues from patents or patented products to be taxed at a lower rate than other revenue. The rate of tax for relevant streams of revenue for companies receiving this relief will be 10%.

Value Added Tax, or VAT, is charged on all qualifying goods and services by VAT-registered businesses. An amount of 20% of goods and services is added to all sales invoices and is payable to the U.K. tax authorities. Similarly, VAT paid on purchase invoices is reclaimable from the U.K. tax authorities.

Results of Operations

Comparison of Six Months Ended June 30, 2016 and 2017

The following table summarizes the results of our operations for the six month periods ended June 30, 2016 and 2017.

	Six Months Ended June 30,	
	2016	2017
	(unaudited) (in thousands)	
Research and development expenses	£ (3,784)	£ (3,689)
Administrative expenses	(908)	(637)
Initial public offering related expenses	—	(1,066)
Net foreign exchange (losses) gains	318	(161)
Operating loss	(4,374)	(5,553)
Finance income	167	91
Loss before tax	(4,207)	(5,462)
Income tax credit	1,090	1,077
Loss for the period	(3,117)	(4,385)
Other comprehensive (expense) income:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	4	(1)
Total comprehensive loss for the period	£ (3,113)	£ (4,386)

Research and Development Expenses

Research and development expenses were £3.7 million for the six months ended June 30, 2017 as compared to £3.8 million for the six month period ended June 30, 2016, a decrease of £0.1 million, which decrease resulted from differences in the phases of our ongoing research projects. The following table summarizes the costs incurred for each of our research and development programs for the six month periods ended June 30, 2016 and 2017:

	Six Months Ended June 30,	
	2016	2017
	(unaudited) (in thousands)	
Acelarin	£ 2,361	£ 2,248
NUC-3373	537	816
NUC-7738	78	267
Other	808	358
	£ 3,784	£ 3,689

Administrative Expenses

Administrative expenses were £0.6 million for the six months ended June 30, 2017 as compared to £0.9 million for the six months ended June 30, 2016. The decrease was largely attributable to higher legal fees in 2016.

Initial Public Offering Expenses

In the six months ended June 30, 2017, costs of £1.1 million were incurred, primarily related to legal, accounting and other advisors' fees in connection with our anticipated IPO. There were no such costs in the six months ended June 30, 2016.

Net Foreign Exchange Gains (Losses)

For the six months ended June 30, 2017, we reported a net foreign exchange loss of £0.2 million as compared to a net foreign exchange gain of £0.3 million for the six months ended June 30, 2016. In the six months ended June 30, 2017, the loss arose from revaluation of cash balances and advance supplier payments made in U.S. dollars, which depreciated during the first six months of 2017 relative to the U.K. pound sterling. In the six months ended June 30, 2016, the gain arose primarily from higher average cash balances held in U.S. dollars, which appreciated during 2016 relative to the U.K. pound sterling.

Finance Income

Finance income represents bank interest and was £0.1 million for the six months ended June 30, 2017 and £0.2 million for the six months ended June 30, 2016. The decrease in bank interest for the six month ended June 30, 2017 was primarily due to lower average cash balances as compared to the same period in 2016 as well as lower rates of interest on bank balances.

Income Tax Credit

Our consolidated effective tax rate for the full year 2017 is estimated to be 19.7%, which is consistently applied to the 2017 interim period. In 2016, our consolidated effective tax rate was 25.9% which is consistently applied to the 2016 interim period. The income tax credit, which is largely comprised of research and development tax credits, amounted to £1.1 million for both the six months ended June 30, 2016 and 2017. Research and development credits are obtained at a maximum rate of 33.35% of our qualifying research and development expenses.

Comparison of Years Ended December 31, 2015 and 2016

The following table summarizes the results of our operations for the years ended December 31, 2015 and 2016.

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Research and development expenses	£ (5,655)	£ (7,904)
Administrative expenses	(1,251)	(1,143)
Net foreign exchange gains (losses)	(8)	599
Operating loss	(6,914)	(8,448)
Finance income	406	283
Loss before tax	(6,508)	(8,165)
Income tax credit	1,176	2,116
Loss for the year	(5,332)	(6,049)
Other comprehensive expense:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(1)	(2)
Total comprehensive loss for the year	£ (5,333)	£ (6,051)

Research and Development Expenses

Research and development expenses for the year ended December 31, 2016 were £7.9 million as compared to £5.7 million for the year ended December 31, 2015, an increase of £2.2 million. The increase was attributable to the number and size of clinical trials being performed in 2016 as compared to 2015 as well as an increase in the number of research and development personnel. The following table summarizes the costs incurred for each of our research and development programs for the years ended December 31, 2015 and 2016:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Acelarin	£ 3,408	£ 4,729
NUC-3373	1,122	1,413
NUC-7738	252	587
Other	873	1,175
	£ 5,655	£ 7,904

Administrative Expenses

Administrative expenses were £1.1 million for the year ended December 31, 2016 as compared to £1.3 million for the year ended December 31, 2015. This decrease was largely attributable to lower recruitment expenses in 2016 as compared to 2015.

Net Foreign Exchange Gains (Losses)

For the year ended December 31, 2016, we reported a net foreign exchange gain of £0.6 million as compared to a net foreign exchange loss of £8,000 for the year ended December 31, 2015. This was primarily from a higher average cash balance being held in U.S. dollars, which appreciated during 2016 relative to the U.K. pound sterling.

Finance Income

Finance income represents bank interest and was £0.3 million for the year ended December 31, 2016 and £0.4 million for the year ended December 31, 2015. The decrease in bank interest for 2016 was primarily due to lower average cash balances in 2016 as compared to 2015.

Income Tax Credit

The income tax credit, which is largely comprised of research and development credits, amounted to £2.1 million for the year ended December 31, 2016 as compared to £1.2 million for the year ended December 31, 2015, an increase in the net credit amount of £0.9 million. Research and development credits are obtained at a maximum rate of 33.35% of our qualifying research and development expenses, and the increase in the net credit was primarily attributable to an increase in our eligible research and development expenses.

Liquidity and Capital Resources

Overview

Since our inception, we have incurred significant operating losses and negative cash flows. We anticipate that we will continue to incur losses for at least the next several years. We expect that our research and development and administrative expenses will increase in connection with conducting clinical trials and seeking marketing approval for our product candidates, as well as costs associated with operating as a public company. As a result, we will need additional capital to fund our operations, which we may obtain from additional equity financings, debt financings, research funding, collaborations, contract and grant revenue or other sources.

As of December 31, 2016 and June 30, 2017, we had cash and cash equivalents of £20.0 million and £15.9 million, respectively. As of December 31, 2015, we had cash, cash equivalents and short-term deposits of £29.2 million. We do not currently have any approved products and have never generated any revenue from product sales or otherwise. To date, we have financed our operations primarily through the issuances of our equity securities.

We have no ongoing material financing commitments, such as lines of credit or guarantees, that are expected to affect our liquidity over the next five years, other than operating leases.

Cash Flows

The following table summarizes the results of our cash flows for the six months ended June 30, 2016 and 2017.

	Six Months Ended June 30,	
	2016	2017
	(unaudited) (in thousands)	
Net cash used in operating activities	£(4,380)	£(3,670)
Net cash (used in) provided by investing activities	5,210	(399)
Net cash from financing activities	—	—
Net (decrease) increase in cash and cash equivalents	£ 830	£(4,069)

Operating activities. The decrease in net cash used in operating activities to £3.7 million for the six months ended June 30, 2017 from £4.4 million for the six months ended June 30, 2016 was primarily due to the utilization of advance payments made during 2016 to two vendors to manufacture drug substance and to manage our clinical trials, and the receipt of a research and development tax credit.

Investing activities. The decrease in cash relating to investing activities of £5.6 million from the six months ended June 30, 2016 to June 30, 2017 is primarily due to proceeds from maturing deposits of £5.1 million, received in the six months ended June 30, 2016. The six months ended June 30, 2017 also included higher acquisition payments in respect of intangible assets.

The following table summarizes the results of our cash flows for the years ended December 31, 2015 and 2016.

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Net cash used in operating activities	£ (4,467)	£ (9,264)
Net cash (used in) provided by investing activities	(181)	14,931
Net cash from financing activities	—	200
Net (decrease) increase in cash and cash equivalents	£ (4,648)	£ 5,867

Operating activities. The increase in net cash used in operating activities to £9.3 million for the year ended December 31, 2016 from £4.5 million for the year ended December 31, 2015 was primarily due to advance payments made during 2016 to two vendors to manufacture drug substance and to manage our clinical trials and an increase in the research and development tax credit receivable.

Investing activities. Net cash used in investing activities was £0.2 million for the year ended December 31, 2015. Net cash provided by investing activities was £14.9 million for the year ended December 31, 2016. This change was primarily due to an increase in proceeds from maturing deposits.

Financing activities. The increase in net cash from financing activities to £0.2 million for the year ended December 31, 2016 from zero for the year ended December 31, 2015 was due to proceeds received from the issuance of ordinary shares upon the exercise of share options.

Operating and Capital Expenditure Requirements

We have not achieved profitability on a quarterly or annual basis since our inception, and we expect to incur net losses in the future. We expect that our operating expenses will increase as we continue to invest to grow our ProTide pipeline, hire additional employees and increase research and development expenses.

Additionally, as a public company, we will incur significant audit, legal and other expenses that we did not incur as a private company. We believe that our existing capital resources, including the net proceeds from this offering, will be sufficient to fund our operations, including currently anticipated research and development activities and planned capital spending, at least through the first quarter of 2020.

Our future funding requirements will depend on many factors, including but not limited to:

- the scope, rate of progress and cost of our clinical trials, preclinical programs and other related activities;
- the extent of success in our early preclinical and clinical stage research programs, which will determine the amount of funding required to further the development of our product candidates;
- the progress that we make in developing new product candidates based on our proprietary ProTide technology;
- the cost of manufacturing clinical supplies and establishing commercial supplies of our product candidates and any products that we may develop;
- the costs involved in filing and prosecuting patent applications and enforcing and defending potential patent claims;
- the outcome, timing and cost of regulatory approvals of our ProTide product candidates;
- the cost and timing of establishing sales, marketing and distribution capabilities; and
- the costs of hiring additional skilled employees to support our continued growth and the related costs of leasing additional office space.

Contractual Obligations and Commitments

The following table summarizes our contractual commitments and obligations as of December 31, 2016.

	Payments Due by Period				
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
	(in thousands)				
Operating lease obligations	£254	£ 192	£ 62	£—	£ —
Total	£254	£ 192	£ 62	£—	£ —

Operating lease obligations relate to rental of office space. As of June 30, 2017, we had operating lease obligations of £50,140, which are due in less than one year. On August 11, 2017 and August 31, 2017, we entered into new lease obligations for office space. The lease obligations are for a period of five years with a break clause after three years.

We have agreed to make milestone payments and pay royalties and annual maintenance fees to third parties under various licensing and related agreements and we have agreed to make payments to CROs and

manufacturers under various CRO and manufacturing agreements. We have not included any such contingent payment obligations in the table above as the amount, timing and likelihood of such payments are not fixed or determinable.

Off-Balance Sheet Arrangements

We do not have variable interests in variable interest entities or any off-balance sheet arrangements.

Quantitative and Qualitative Disclosures about Market Risk

Market risk arises from our exposure to fluctuation in interest rates and currency exchange rates. These risks are managed by maintaining an appropriate mix of cash deposits in the two main currencies we operate in, placed with a variety of financial institutions for varying periods according to expected liquidity requirements.

Interest Rate Risk

As of June 30, 2017, we had cash and cash equivalents of £15.9 million. As of December 31, 2016, we had cash and cash equivalents of £20.0 million. Our exposure to interest rate sensitivity is impacted primarily by changes in the underlying U.K. bank interest rates. Our surplus cash and cash equivalents are invested in interest-bearing savings accounts and certificates of deposit from time to time. We have not entered into investments for trading or speculative purposes. Due to the conservative nature of our investment portfolio, which is predicated on capital preservation of investments with short-term maturities, an immediate one percentage point change in interest rates would not have a material effect on the fair market value of our portfolio, and therefore we do not expect our operating results or cash flows to be significantly affected by changes in market interest rates.

Currency Risk

Our functional currency is U.K. pounds sterling, and our transactions are commonly denominated in that currency. However, we incur a portion of expenses in other currencies, primarily U.S. dollars, and are exposed to the effects of this exchange rate. Since mid-2016, there has been significantly increased volatility in the exchange rate between the pound sterling and the U.S. dollar and an overall weakening of the pound sterling related to Britain's exit from the European Union. Although we are based in the United Kingdom, we source our active pharmaceutical ingredient, or API, and other raw materials and our research and development, manufacturing, consulting and other services worldwide, including from the United States, the European Union and India.

Any weakening of the pound sterling against the currencies of such other jurisdictions makes the purchase of such goods and services more expensive for us. We seek to minimize this exposure by maintaining currency cash balances at levels appropriate to meet foreseeable short to mid-term expenses in these other currencies. We do not use forward exchange contracts to manage exchange rate exposure. A 1% increase in the value of the pound sterling relative to the U.S. dollar would not have had a material effect on the carrying value of our net financial assets and liabilities in foreign currencies at December 31, 2016 or at June 30, 2017.

Critical Accounting Policies, Judgments and Estimates

In the application of our accounting policies, we are required to make judgments, estimates, and assumptions about the value of assets and liabilities for which there is no definitive third-party reference. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. We review our estimates and assumptions on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revisions and future periods if the revision affects both current and future periods.

The following are our critical judgments that we have made in the process of applying our accounting policies and that have the most significant effect on the amounts recognized in our consolidated financial statements included elsewhere in this prospectus.

Recognition of Clinical Trial Expenses

As part of the process of preparing our consolidated financial statements, we may be required to estimate accrued expenses related to our clinical trials. In order to obtain reasonable estimates, we review open contracts and purchase orders. In addition, we communicate with applicable personnel in order to identify services that have been performed, but for which we have not yet been invoiced. In most cases, our vendors provide us with monthly invoices in arrears for services performed. We confirm our estimates with these vendors and make adjustments as needed. The following are examples of our accrued expenses:

- fees paid to CROs for services performed on preclinical studies and clinical trials; and
- fees paid for professional services.

Share-Based Payments

We award share options to certain of our employees, directors and consultants as part of their compensation. All of these compensation arrangements are settled in equity at a predetermined price and generally vest over a period of three to four years. All share options have a term of 10 years before expiration. We measure share-based awards at the grant date based on the fair value of the award and we recognize it as a compensation expense over the vesting period with a corresponding increase in reserves. We determine the fair value of our share options using the Black-Scholes option-pricing model.

In future periods, we expect our share-based payment expense to increase due in part to our existing unrecognized share-based payment expenses and the grant of additional share-based awards to continue to attract, incent and retain our employees, directors and consultants.

Valuation of Share Options. The Black-Scholes option pricing model requires the input of subjective assumptions, including assumptions about the expected life of share-based awards and share price volatility. In addition, as a privately held company, one of the most subjective inputs into the Black-Scholes option pricing model is the estimated fair value of our ordinary shares.

As a privately held company, our share price does not have sufficient historical volatility for us to adequately assess the fair value of the share option grants. As a result, our management considered the historical volatility of other comparable publicly traded companies and, based on this analysis, concluded that a volatility range of 60.92% to 69.05% was appropriate for the valuation of our share options. We intend to continue to consistently apply this methodology using the same comparable companies until a sufficient amount of historical information regarding the volatility of our own share price as a public company becomes available.

The expected life of the option, beginning with the option grant date, was used in valuing our share options. The expected life used in the calculation of share-based payment expense is the time from the grant date to the expected exercise date. The life of the options depends on the option expiration date, volatility of the underlying shares and vesting features.

IFRS 2, *Share-based Payment*, requires the use of the risk-free interest rate of the country in which the entity's shares are principally traded, with a remaining term equal to the expected life of the option. The third-party valuation firm applied the appropriate risk-free rate using the Bank of England's estimates of gilt zero-coupon yield curve as at the respective share option grant dates.

Valuation of Ordinary Shares. There are significant judgments and estimates inherent in the determination of the fair value of our ordinary shares. These judgments and estimates include assumptions regarding our future operating performance, the likelihood and time to complete an IPO or other liquidity event, the related company valuations associated with such events, and the determinations of the appropriate valuation methods. If we had made different assumptions, our share-based payment expense, loss for the year and total comprehensive loss, on both an absolute and per-share basis, could have been significantly different.

In conducting our valuations, we considered all objective and subjective factors that we believed to be relevant for each valuation conducted, including our best estimate of our business condition, prospects, and operating performance at each valuation date. Within the valuations performed, a range of factors, assumptions, and methodologies were used. The significant factors considered included:

- the lack of an active public market for our ordinary shares, as well as our series A and series B convertible participating preferred shares;
- the prices of our series A and series B convertible participating preferred shares that we had sold to outside investors in arm's length transactions, and the rights, preferences and privileges of the series A and series B convertible participating preferred shares relative to our ordinary shares;
- the data generated from our research and development programs and financial condition;
- the material risks related to our business and industry;
- our business strategy;
- the market performance of publicly traded companies in the life sciences and biotechnology sectors; and
- the likelihood of achieving a liquidity event for the holders of our ordinary shares, such as an IPO, given prevailing market conditions.

During 2016, we issued share options on June 30, August 22, October 28 and December 12. These share options were awarded based on the underlying share price of £4.00 per ordinary share. We made contemporaneous estimates of the valuation of the share price, which for share options issued in 2016 was retrospectively revalued upon contemplation of this offering. After considering the market approach, the income approach and the asset-based approach, we utilized the market approach to determine the estimated fair value of our ordinary shares based on its determination that this approach was most appropriate for a clinical-stage biopharmaceutical company at this point in its development. Consideration was given to the American Institute of Certified Public Accountants' Practice Aid: "Valuation of Privately-Held Company Equity Securities Issued as Compensation," or the Practice Aid, in addition to input from management, the likelihood of completing an IPO and recent transactions with investors. Once a public trading market for our ordinary shares (in the form of ADSs) has been established in connection with the completion of this offering, it will no longer be necessary to estimate the fair value of our ordinary shares in connection with our accounting for share-based payment expenses, as the fair value of our ordinary shares will be determinable by reference to the trading price of our ADSs on Nasdaq. The retrospective valuation dates for June 30, 2016, August 22, 2016, October 28, 2016 and December 12, 2016 resulted in valuations of our ordinary shares of £6.97, £8.61, £8.76 and £9.19 per share, respectively, as of those dates.

Our ordinary share valuations were prepared using the guideline public company, or GPC, method under the market approach. In the application of the GPC method, we considered the pricing of IPOs completed by clinical-stage oncology companies between April 2015 and May 2016. We converted prospective IPO value to present value by applying a discount rate of 25%. The discount rate was derived from studies of rates of return required by venture investors in IPO-stage companies. In addition to the IPO GPCs, we considered the enterprise values indicated by a group of eight trading GPCs. The trading prices of these clinical-stage GPCs provided contemporaneous indications of value as of each appraisal date. We applied a discount for lack of marketability to the ordinary shares to account for the lack of access to an active public market. We estimated the discount for lack of marketability using an Asian put model.

During the six months ended June 30, 2017, we issued share options on May 16. These share options were awarded based on the underlying share price of £11.08 per ordinary share. We made contemporaneous estimates of the valuation of the share price using the same methodology described above and updated for pricing of initial public offerings completed by clinical stage oncology companies between April 2015 and May 2017.

The following table summarizes by grant date the number of ordinary shares subject to options granted between January 1, 2016 and June 30, 2017, the per share purchase or exercise prices, the fair value of the

ordinary shares on the dates of grant, the re-assessed fair value of the ordinary shares on the dates of grant, if applicable, and the estimated fair value per option utilized to calculate share-based payment expense.

Grant date	Number of options granted	Exercise price per share	Fair value of ordinary share at grant date	Re-assessed fair value of ordinary share at grant date	Estimated fair value per option
June 30, 2016	270,690	£ 4.00	£ 4.00	£ 6.97	£ 4.02
Aug. 22, 2016	12,500	£ 2.80	£ 4.00	£ 8.61	£ 6.15
Aug. 22, 2016	37,500	£ 3.00	£ 4.00	£ 8.61	£ 6.01
Aug. 22, 2016	25,000	£ 3.40	£ 4.00	£ 8.61	£ 5.74
Aug. 22, 2016	11,250	£ 3.60	£ 4.00	£ 8.61	£ 5.62
Aug. 22, 2016	5,000	£ 3.60	£ 4.00	£ 8.61	£ 5.62
Aug. 22, 2016	37,500	£ 3.60	£ 4.00	£ 8.61	£ 5.62
Oct. 28, 2016	12,500	£ 3.40	£ 4.00	£ 8.76	£ 5.85
Oct. 28, 2016	50,000	£ 4.00	£ 4.00	£ 8.76	£ 5.46
Dec. 12, 2016	45,750	£ 4.00	£ 4.00	£ 9.19	£ 5.22
May 16, 2017	23,250	£ 4.00	£ 11.08	n/a	£ 7.70

Subsequent to June 30, 2017 and prior to the date of this prospectus, we granted options under our equity incentive plans for 1,261,783 ordinary shares at a weighted average exercise price of £1.09 per share. We intend to assess the fair value of these options grants for financial reporting purposes, and the associated share-based expense to be recorded, by reference to the initial public offering price per ADS in this offering. We have also approved for grant as of and in connection with this offering options under our equity incentive plans for 215,782 ordinary shares to be issued at an exercise price equal to the initial public offering price per ADS in this offering.

The mid-point of the initial public offering price range set forth on the cover of this prospectus, $15.00 per ADS, was determined as a result of negotiations between us and the underwriters. As is typical in initial public offerings, neither the price range set forth on the cover of this prospectus was, nor will the initial public offering price be, derived using a formal determination of fair value, but was determined by negotiation between us and the underwriters. Among the factors that were considered in setting this price were the following: (i) the history and prospects for the industry in which we compete; (ii) our financial information; (iii) the ability of our management and our business potential and earning prospects; (iv) the prevailing securities markets at the time of this offering; and (v) the recent market prices of, and the demand for, publicly traded shares of generally comparable companies.

Deferred Tax and Current Tax Credits

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognized in the statement of operations, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Tax credits are accrued for the year based on calculations that conform to the U.K. research and development tax credit regime applicable to small and medium-sized companies. We may not be able to continue to claim research and development tax credits in the future under the current research and development tax credit scheme, when we become a U.S. public company because we may no longer qualify as a small or medium-sized company. However, we may be able to file under a large company scheme. Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. No deferred tax assets are recognized on our losses carried forward because there is currently no indication that we will make sufficient profits to utilize these tax losses.

Recent Accounting Pronouncements

The International Accounting Standards Board, or IASB, and International Financial Reporting Interpretations Committee, or IFRIC, have issued the following standards and interpretations, which are considered relevant to us, with an effective date after December 31, 2017.

	Effective Date
IFRS 9: Financial Instruments	January 1, 2018
IFRS 16: Leases	January 1, 2019
Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions	January 1, 2018
Annual Improvements to IFRSs 2014-2016 Cycle	January 1, 2018
IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration	January 1, 2018

We will adopt these standards and interpretations in accordance with their effective dates. See Note 2 “Significant Accounting Policies—Accounting Standards” of the notes to our audited consolidated financial statements for the year ended December 31, 2016 included elsewhere in this prospectus for more information.

Jumpstart Our Business Startups Act of 2012

In April 2012, the U.S. Jumpstart Our Business Startups Act of 2012, or the JOBS Act, was enacted. Section 107(b) of the JOBS Act provides that an “emerging growth company,” or EGC, can take advantage of an extended transition period for complying with new or revised accounting standards. Thus, an EGC can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. Given that we currently report and expect to continue to report under IFRS as issued by the IASB, we have irrevocably elected not to avail ourselves of this extended transition period, and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required for other public companies.

We intend to rely on other exemptions and reduced reporting requirements under the JOBS Act. Subject to certain conditions, as an EGC, we may rely on certain of these exemptions, including exemptions from (1) providing an auditor’s attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act and (2) complying with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis. We will remain an EGC until the earliest of (a) the last day of our fiscal year during which we have total annual gross revenue of at least $1.07 billion; (b) the last day of our fiscal year following the fifth anniversary of the completion of this offering; (c) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a “large accelerated filer” under the Securities Exchange Act of 1934, as amended, which would occur if the market value of our equity securities that are held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter. Once we cease to be an EGC, we will not be entitled to the exemptions provided in the JOBS Act.

We have taken advantage of reduced reporting requirements in this prospectus. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold equity securities.

BUSINESS

Overview

We are a clinical-stage biopharmaceutical company focused on significantly improving treatment outcomes for cancer patients by applying our ProTide technology to transform some of the most widely prescribed chemotherapy agents, nucleoside analogs, into more effective and safer medicines. While these conventional agents remain part of the standard of care for the treatment of many solid tumors, their efficacy is limited by cancer cell resistance mechanisms and they are often poorly tolerated. Utilizing our proprietary technology, we are developing new medicines, ProTides, designed to overcome key cancer resistance mechanisms and generate much higher concentrations of anti-cancer metabolites in cancer cells. Our most advanced ProTide candidates, Acelarin and NUC-3373, are new chemical entities derived from the nucleoside analogs gemcitabine and 5-fluorouracil, respectively, two widely used chemotherapy agents. Acelarin is currently being evaluated in four clinical trials across several solid tumor indications, including ovarian cancer, biliary cancer and pancreatic cancer. NUC-3373 is currently in a Phase 1 trial for the potential treatment of a wide range of advanced solid tumor cancers. We have retained worldwide rights to these lead product candidates as well as our preclinical product candidates, all of which we refer to as ProTides.

Acelarin, our most advanced product candidate, is a potential first-in-class ProTide that has been evaluated in over 140 patients. Acelarin is a ProTide transformation of gemcitabine that we believe could replace gemcitabine in certain cancer indications and have utility across a range of other cancers. In a Phase 1 dose-ranging trial in 49 evaluable patients with advanced metastatic solid tumors, Acelarin was well tolerated, achieved a 78% disease control rate and was associated with intracellular levels of active anti-cancer metabolite over 200 times higher than those reported for gemcitabine. A subset of 14 evaluable patients with relapsed/refractory gynecological cancers achieved a 93% disease control rate. In a Phase 1b dose-ranging trial in 23 evaluable patients with recurrent ovarian cancer, Acelarin was combined with carboplatin and achieved a 96% disease control rate. Based on these disease control rates and the tolerability profile, we have begun a Phase 2 trial of Acelarin in patients with platinum-resistant ovarian cancer for which we expect to report interim data in 2018. Acelarin is also being evaluated in another Phase 1b trial in patients with biliary cancer to determine its optimal dose in combination with cisplatin. We expect to report data from this trial in 2018, after which we plan to commence a multi-national Phase 3 trial. In addition, the National Cancer Research Institute in the United Kingdom is facilitating a Phase 3 trial of Acelarin for the treatment of patients with pancreatic cancer.

NUC-3373, our second product candidate, is a ProTide transformation of the active anti-cancer metabolite of 5-fluorouracil, or 5-FU, which we believe has the potential to replace 5-FU as the standard of care in the treatment of a wide range of cancers. In preclinical studies, we observed that NUC-3373 overcame the key resistance mechanisms associated with 5-FU and generated intracellular levels of active anti-cancer metabolite over 300 times higher than that of 5-FU. NUC-3373 is currently being evaluated in a Phase 1 clinical trial of patients with advanced solid tumors for which we reported interim data in September 2017. We expect to report final data from this trial in 2018. Contingent on regulatory guidance and other factors, we plan to initiate a number of clinical trials in 2018: a Phase 1b trial of NUC-3373 in patients with colorectal cancer together with other agents routinely used in 5-FU combination regimens; a Phase 3 trial in patients with advanced colorectal cancer; and a Phase 2 trial in patients with advanced breast cancer.

NUC-7738, our third product candidate, is a ProTide transformation of cordycepin, a novel nucleoside analog that has shown potent anti-cancer activity in preclinical studies. We are evaluating NUC-7738 in preclinical studies and we expect to initiate a Phase 1 clinical trial in 2018.

Despite the widespread use of nucleoside analogs, their efficacy is severely limited by cancer cell resistance mechanisms and they are often poorly tolerated. Harnessing the power of phosphoramidate chemistry, we convert nucleoside analogs into activated nucleotide analogs with the addition of a phosphate group, which is protected by specific combinations of aryl, ester and amino acid groupings. By adding and protecting this

phosphate group, we design our ProTides to avoid or overcome key cancer resistance mechanisms in the uptake, activation and breakdown of nucleoside analogs. As a result, we believe our ProTides have the potential to generate hundreds of times higher concentrations of the active anti-cancer metabolites inside tumor cells, potentially making our ProTides more effective than the current standards of care. Because our ProTides resist breakdown, and are thus more stable, we believe they are also able to reduce or eliminate the generation of toxic byproducts that can result from the breakdown of nucleoside analogs like gemcitabine and 5-FU.

Our proprietary ProTide technology was invented in the Cardiff University laboratory of our late Chief Scientific Officer, Professor Christopher McGuigan, who conceived of, and filed the original composition of matter patents for our initial ProTides. The unique feature of his discovery was the specific combination of aryl, ester and amino acid groupings that protect the activated, or phosphorylated, nucleoside analog. This phosphoramidate chemistry approach is the key to the ProTide technology. Every ProTide grouping is distinct, and Professor McGuigan and his team synthesized and tested thousands of compounds in order to identify the optimal ProTide grouping for each underlying nucleoside analog.

We have licensed what we believe to be the foundational patent estate for the application of phosphoramidate chemistry in oncology. We have granted patents in key markets, including the United States, Europe and Japan, protecting the composition of matter of Acelarin, NUC-3373 and other of our product candidates. Professor McGuigan's work preceded and helped lead to the development of several FDA-approved anti-viral drugs containing nucleotide analogs, including: sofosbuvir, or Sovaldi®, which is also a key component of Harvoni®; and tenofovir alafenamide fumarate, or TAF, which is a key component of Genvoya®, Descovy® and Odefsey®.

We are led by Hugh S. Griffith, our founder and Chief Executive Officer, who brings over 25 years of experience in the biopharmaceutical industry including at Abbott Laboratories (now AbbVie Inc.) and Parke-Davis Warner Lambert (now Pfizer Inc.). Before founding NuCana, he led the operations of Bioenvision, Inc. from start-up through its acquisition by Genzyme Corporation. While at Bioenvision, he was instrumental in developing and commercializing clofarabine, a nucleoside analog for the treatment of pediatric leukemia. We are backed by leading life sciences investors, including Sofinnova Partners, Sofinnova Ventures, Morningside Group and Scottish Enterprise.

Our Strategy

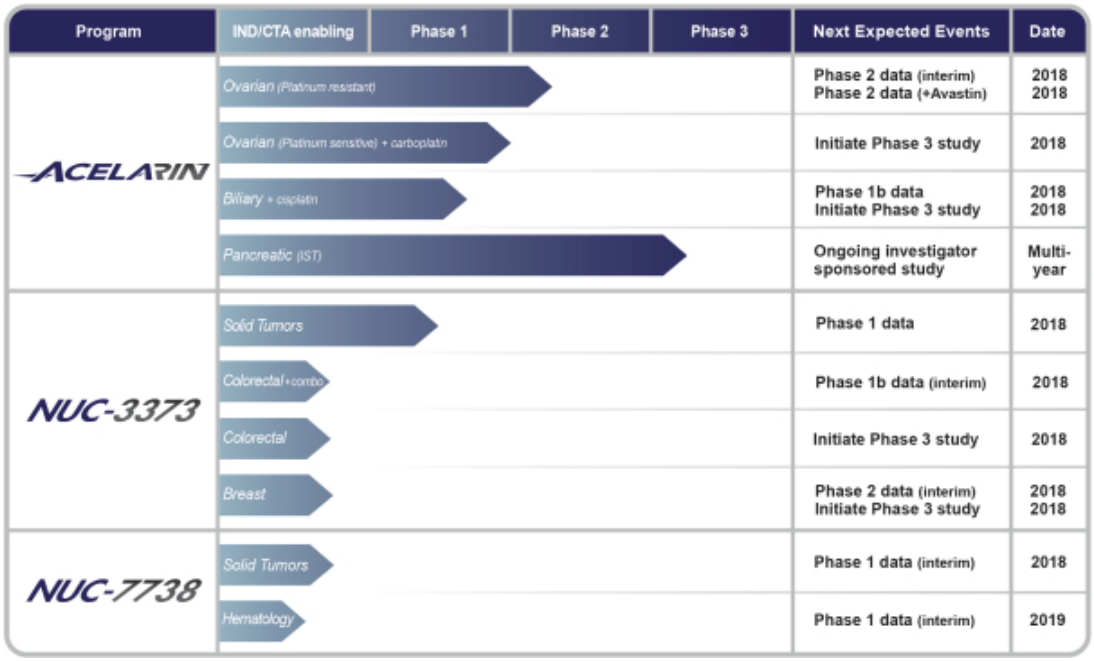
Our goal is to transform standards of care and improve survival for patients across a wide range of cancer indications. Our strategy includes the following key components:

- **Rapidly develop Acelarin as a first-in-class nucleotide analog for the treatment of patients with cancer**. We believe that Acelarin has the potential to replace the core chemotherapy component of treatment regimens for patients with various cancers, including:
  - *Platinum-resistant ovarian cancer.* We expect to report data from a Phase 2 trial of Acelarin in 2018. We also intend to explore the use of Acelarin in combination with Avastin, a widely used agent in the treatment of several cancers, and expect to report data from this trial in 2018.
  - *Platinum-sensitive ovarian cancer.* Contingent on regulatory guidance and other factors, we expect to commence a Phase 3 trial of Acelarin in combination with carboplatin for this indication in 2018.
  - *Biliary cancer.* We expect to report data from a Phase 1b trial of Acelarin in combination with cisplatin in 2018. Contingent on regulatory guidance and other factors, we plan to commence a Phase 3 trial of Acelarin in combination with cisplatin as a first-line treatment in 2018.
  - *Pancreatic cancer.* The National Cancer Research Institute in the United Kingdom is facilitating a Phase 3 trial of Acelarin as a first-line treatment compared to gemcitabine.
- **Rapidly develop NUC-3373 to replace 5-FU as the standard of care for the treatment of patients with various cancers**.

  - *Advanced solid tumors*. We expect to report final data from a Phase 1 trial of NUC-3373 in patients with advanced solid tumors in 2018.
  - *Colorectal cancer*. We plan to establish the optimal dose of NUC-3373 in combination with other agents in a Phase 1b trial in 2018. Contingent on regulatory guidance and other factors, we also intend to initiate a Phase 3 trial of NUC-3373 monotherapy in 2018.
  - *Breast cancer*. We intend to conduct a Phase 2 trial of NUC-3373 compared to capecitabine, the oral version of 5-FU, in patients with recurrent breast cancer and anticipate reporting interim data from this trial in 2018.
- **Rapidly advance NUC-7738 into clinical trials**. NUC-7738, a ProTide based on a novel nucleoside analog, is currently undergoing preclinical studies and we expect to initiate a Phase 1 trial in 2018 for solid tumors. In addition, we plan to develop NUC-7738 for the treatment of hematological malignancies.
- **Leverage our proprietary ProTide technology platform to develop additional product candidates**. We are pursuing both the transformation of well-established and widely used nucleoside analogs as well as novel nucleoside analogs, which we believe have the potential to address additional areas of unmet medical need in oncology.
- **Continue to strengthen our intellectual property position**. We own or have exclusive rights to the core technologies underlying our ProTide technology platform. We have granted patents in key markets, including the United States, Europe and Japan, protecting the composition of matter of Acelarin, NUC-3373 and other of our product candidates. We intend to further expand and enhance our intellectual property position.
- **Build a focused commercial organization**. We have worldwide rights to all product candidates that we are developing. We believe that many of the cancers we are initially targeting with our ProTides can be addressed by a focused sales and marketing team. We plan to commercialize any product candidates for which we receive regulatory marketing approval using a specialized sales force in the United States and Europe.

Our Pipeline

We take a scientifically driven approach to designing ProTides, which we believe have the potential to result in highly efficacious cancer therapies with improved tolerability. Our pipeline of product candidates is summarized below.



Cancer and the Need for Improved Treatment Options

Cancer is the second leading cause of death in the United States, with approximately 1.7 million new cases and 600,000 deaths expected in 2017 according to the American Cancer Society.

The medical treatment of cancer can be divided into three major categories: surgery, radiotherapy and therapeutics. Therapeutics include chemotherapy, immunotherapy, and targeted and hormonal agents.

The backbone of treatment for patients with cancer consists of chemotherapeutics, which generated sales of $20.6 billion worldwide in 2016. These therapies exert their effects by killing cancer cells or preventing them from replicating. Within the larger universe of chemotherapy, nucleoside analogs, such as gemcitabine and 5-FU, play a significant role. Nucleoside analogs have been in clinical use for over 50 years and have become cornerstones of treatment for patients with cancer. The FDA has approved 16 nucleoside analogs for the treatment of cancer and many of these have become the standard of care globally for patients. FDA-approved anti-cancer nucleoside analogs are: gemcitabine; 5-FU; capecitabine; floxuridine; clofarabine; fludarabine; cytarabine; azacytidine; decitabine; nelarabine; cladribine; pentostatin; 6-mercaptopurine; tipiracil; 6-thioguanine; and trifluorothymidine. The World Health Organization has classified seven of these nucleoside analogs, including gemcitabine and 5-FU, as Essential Medicines, which they define as medicines that satisfy the priority healthcare needs of the population and should be available at all times.

Many on-patent chemotherapies have generated significant sales, including, for example, gemcitabine, marketed as Gemzar®, which had peak annual sales of $1.7 billion before losing patent protection in 2010. Gemcitabine is still used extensively and remains an important part of the standard of care for many cancers,

including pancreatic, ovarian, biliary, non-small cell lung, bladder and breast cancers. In addition, approximately 500,000 patients per year in North America receive 5-FU, which is widely used for the treatment of many cancers, including colorectal, breast, stomach, head and neck, and pancreatic cancers. The oral version of a derivative of 5-FU, known as capecitabine and marketed as Xeloda® for the treatment of colorectal, breast and stomach cancer, had worldwide sales of $1.5 billion in 2012, before the market launch of generic competitors. We believe the number of patients receiving capecitabine represents a small proportion of the overall number of patients treated with 5-FU and its derivatives.

Shortcomings of Existing Nucleoside Analog Drugs

Despite the widespread use of nucleoside analogs, their efficacy is severely limited by cancer cell resistance and they are often poorly tolerated.

Nucleoside analogs are based on the principle of blocking the replication of cancer cells by providing faulty DNA and RNA building blocks during the cell replication process, thus leading to cancer cell death, known as apoptosis. Some nucleoside analogs exert their effect by blocking enzymes necessary for the production of these DNA and RNA building blocks. However, there are critical barriers and cellular defenses that limit the efficacy of existing nucleoside analogs. The three critical shortcomings of nucleoside analogs are: (1) the need for uptake into cells by way of membrane proteins known as transporters; (2) the need for activation by the addition of one or more phosphate groups; and (3) the potential for enzymatic breakdown.

1. Uptake by transporters. Nucleoside analogs require specific active-transport proteins in the cell membrane to enter cancer cells. If these proteins are missing or down-regulated, nucleoside analogs cannot enter the cancer cell to exert their anti-cancer effect. Transport proteins, such as the human equilibrative nucleoside transporter 1, or hENT1, are often not expressed at sufficient levels in many solid tumor cancers. For example, based on the published results of multiple studies assessing the correlation of hENT1 expression to survival outcomes in pancreatic cancer patients treated with gemcitabine, approximately 40% to 50% of pancreatic patients express low levels of hENT1, and thus derive little or no benefit from gemcitabine therapy.

2. Conversion to the active form. Nucleoside analogs are all dosed as inactive precursors, or prodrugs, because their active forms are unstable and their negative charge further prevents them from entering cells. Naturally occurring enzymes in cells must add at least one chemical entity known as a phosphate group to activate these prodrugs and enable them to be incorporated into nucleic-acid chains or to bind to their target enzymes and thereby exert their anti-cancer effect. This process of activation by adding a phosphate group is known as phosphorylation. However, the addition of phosphate groups often occurs at such an insufficient rate in cancer cells that it limits or prevents the generation of active anti-cancer metabolites, and in some cases phosphorylation does not occur at all.

3. Breakdown. Multiple enzymatic processes can break down nucleoside analogs, resulting in their degradation prior to phosphorylation, as well as the release of toxic byproducts that can lead to off-target toxicity. Breakdown can take place either inside or outside the cancer cell.

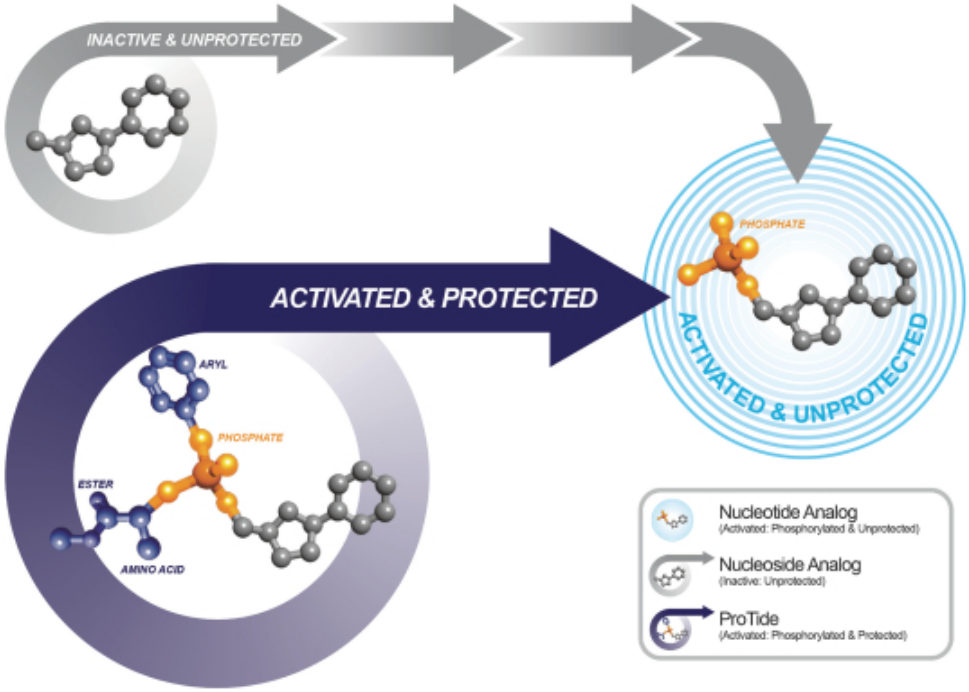
Our ProTide Technology and its Key Advantages

We use our ProTide technology to design new chemical entities to overcome the three key challenges associated with existing nucleoside analogs: uptake, activation and breakdown as shown below:

Problem	Nucleoside Analog Limitations	ProTide Solution
Uptake: Insufficient expression of membrane transporters	Dependent on membrane transporters to enter cancer cells	Enters cancer cells independent of membrane transporters
Activation: Rate limiting phosphorylation	Requires phosphorylation within cancer cells to exert anti-cancer activity	Pre-activated, thus bypassing rate-limiting phosphorylation
Breakdown: High levels of metabolizing enzymes	Subject to breakdown and generation of toxic byproducts	Resistant to breakdown

Harnessing the power of phosphoramidate chemistry, we transform nucleoside analogs into activated nucleotide analogs with the addition of a phosphate group, which is protected by specific combinations of aryl, ester and amino acid groupings. We refer to these compounds as ProTides. We are applying our ProTide technology both to nucleoside analogs currently approved for use as a chemotherapy and to nucleoside analogs that have not, to date, been successfully developed.

A graphical representation of the chemical structure of nucleoside analogs, nucleotide analogs and ProTides is set forth below:



Our researchers have invested over a decade of work in designing, synthesizing and screening ProTides, which we believe are optimally designed to overcome cancer cell resistance mechanisms. We have gained considerable insight from our scientific founders and executives in understanding phosphoramidate chemistry and the biology of how nucleotide analogs are able to exert their anti-cancer effects. Based on these learnings, we are able to efficiently create hundreds of target candidates from the millions of potential candidates. We then perform biological testing on these target candidates to select our lead ProTides.

Acelarin: A Transformation of Gemcitabine

Our lead product candidate, Acelarin, was designed to overcome the key cancer resistance mechanisms associated with the nucleoside analog, gemcitabine. We are rapidly advancing Acelarin in the clinic and exploring its use as a therapy against platinum-resistant and platinum-sensitive ovarian cancer, biliary cancer and pancreatic cancer.

Gemcitabine and its Limitations

Gemcitabine is a nucleoside analog that is used as a chemotherapeutic to treat a wide range of tumors and has been investigated in over 1,900 clinical trials. It is approved as a single agent for the treatment of pancreatic cancer and in combination with other chemotherapeutic drugs for the treatment of advanced ovarian, metastatic breast, and non-small cell lung cancers. Gemcitabine is also used to treat many other types of tumors, including biliary cancer, both as monotherapy and in combination with other therapeutics.

Gemcitabine is a conventional nucleoside analog which, like all nucleoside analogs, is an inactive prodrug. There are three key cancer resistance mechanisms that have been associated with a poor survival prognosis for gemcitabine therapy: transport, activation and breakdown. While there have been attempts to address the requirement for active transport of gemcitabine into cancer cells, we believe we are the first to address all three limitations at once.

1. Requires active transport. Gemcitabine requires the membrane transporter hENT1 to enter the cancer cell. Patients with a low level of hENT1 who receive gemcitabine have lower overall survival as compared to patients with a high level of hENT1. In a study published in 2004 in the journal *Clinical Cancer Research*, it was reported that pancreatic cancer patients with a high level of hENT1 expression had a median overall survival of 13 months compared to four months for those patients with a low level of hENT1 expression.

In a study published in 2009 in the *Journal of Clinical Oncology*, non-small cell lung cancer patients with low levels of hENT1 who were treated with therapies that included gemcitabine survived for less than half as long as those with high levels of hENT1, specifically, 316 days in the case of low levels of hENT1, and 714 days in the case of high levels of hENT1.

Some previous product candidates that have been tested clinically by others were designed to address the challenge of membrane transport but these efforts failed even when the transport of these candidates across the cell membrane appeared to succeed. We believe that this was due to the failure of those candidates to address the other cancer resistance mechanisms of activation and breakdown.

2. Requires activation within the cancer cell. Once gemcitabine enters cells, it must be activated by the addition of phosphate groups before it can exert its cell-killing effect. The rate-limiting addition of the first phosphate group is rapidly followed by the addition of a second and third phosphate group. The end result of this phosphorylation is the creation of the active anti-cancer metabolite, which is known as dFdCTP. A specific enzyme, deoxycytidine kinase, or dCK, is responsible for the first rate-limiting phosphorylation step. Initially, about one-third of cancer cells have reduced levels of dCK, which has negative consequences for the efficacy of gemcitabine. A study published in the journal *Gastroenterology* in 2012 reported that decreased expression of dCK led to resistance to gemcitabine treatment in cellular assays. In another published study, low levels of dCK in the pancreatic cancer cells of patients who were treated with gemcitabine were associated with a median

overall survival that was seven months shorter than that observed in patients with medium to high levels of dCK. dCK is also associated with acquired resistance and studies have shown that cancer cells can downregulate the production of dCK in the presence of gemcitabine leading to reduced efficacy.

Because gemcitabine has a short half-life, ranging from 42 to 94 minutes, even with dCK present in the cancer cell, much of the gemcitabine will have broken down before it can be converted to its active anti-cancer metabolite, dFdCTP.

3. Subject to breakdown. Gemcitabine, prior to being phosphorylated to its active form, is susceptible to being broken down chemically by metabolic enzymes, such as cytidine deaminase, or CDA, which irreversibly degrades up to 90% of gemcitabine to an inactive form in less than three hours. A study published in the *British Journal of Cancer* in 2005 showed that increased levels of CDA were associated with an approximate five-month reduction in median overall survival in gemcitabine-treated pancreatic cancer patients. CDA is also expressed by various microorganisms in the body, such as mycoplasma that have been found to be associated with 30% to 50% of solid tumors, which further exacerbates the breakdown of gemcitabine.

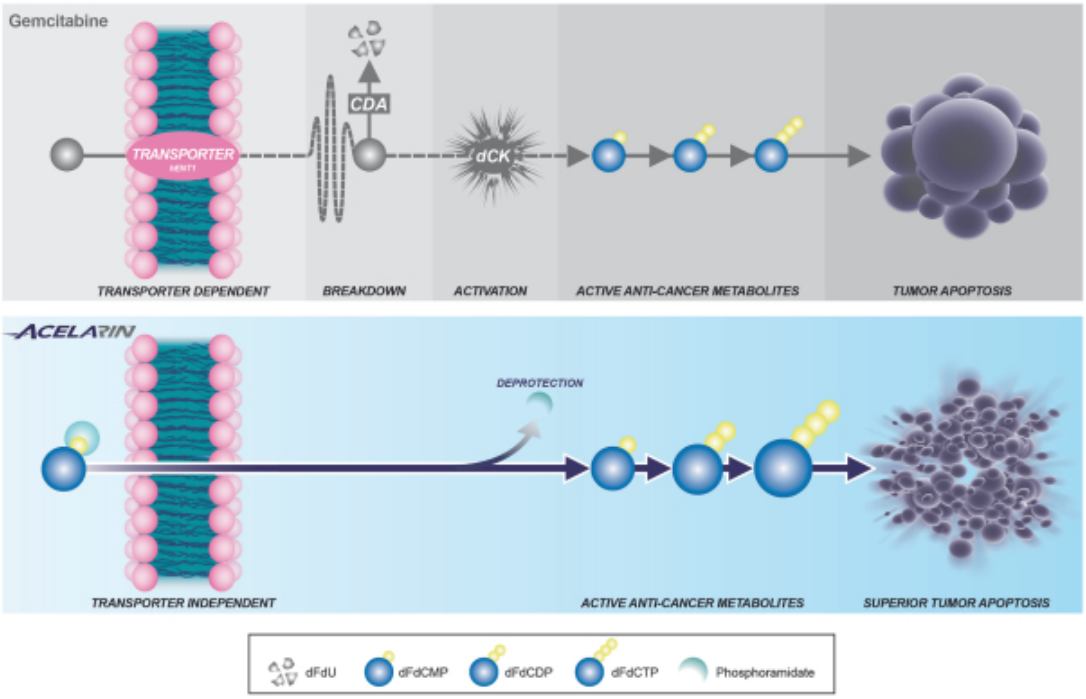
Contribution of resistance mechanisms to survival

Each of these resistance mechanisms on its own negatively impacts the survival of cancer patients receiving gemcitabine therapy by at least five months. While studies have not been done on the effect of the combination of all three of these resistance mechanisms, one study in pancreatic cancer patients who had undergone resection found that two of these resistance mechanisms had a cumulative effect. Specifically, patients with low levels of hENT1 and any level of dCK experienced a median overall survival of 16.2 months, while patients with high levels of hENT1 and low levels of dCK had a median overall survival of 33.6 months and patients with high levels of hENT1 and moderate to high levels of dCK had a median overall survival of 61.4 months.

Our Solution: Acelarin

Our lead product candidate, Acelarin, was designed to overcome the key cancer resistance mechanisms associated with gemcitabine. Acelarin is designed to generate and maintain higher concentrations of the anti-cancer metabolite inside the tumor compared to gemcitabine. This ProTide is comprised of gemcitabine, a phosphate group and a specific combination of aryl, ester and amino acid, also referred to as the phosphoramidate moiety. Acelarin's distinctive feature is this proprietary moiety, which protects the phosphate group. The moeity also changes the chemical properties of the molecule, enabling Acelarin to enter the cancer cell independent of the presence of the hENT1 transporter. Once Acelarin has entered the cell, the moeity is optimally cleaved off, resulting in "deprotection" and the release of an activated, phosphorylated form of gemcitabine in the cell. Accordingly, the activating enzyme, dCK, which drives the rate-limiting phosphorylation of gemcitabine, is no longer required and the cancer cells' deficiency of dCK does not result in resistance to Acelarin, as it does with gemcitabine. This activated nucleotide analog, dFdCMP, is then rapidly converted to dFdCDP and then the key anti-cancer metabolite, dFdCTP. Moreover, Acelarin, like the phosphorylated forms of gemcitabine, is not subject to breakdown by CDA, thus bypassing another key resistance mechanism. As a result, Acelarin achieves much higher levels of dFdCTP than does gemcitabine.

The metabolism of Acelarin compared to gemcitabine as described above is illustrated in the following graphic.



Clinical Data

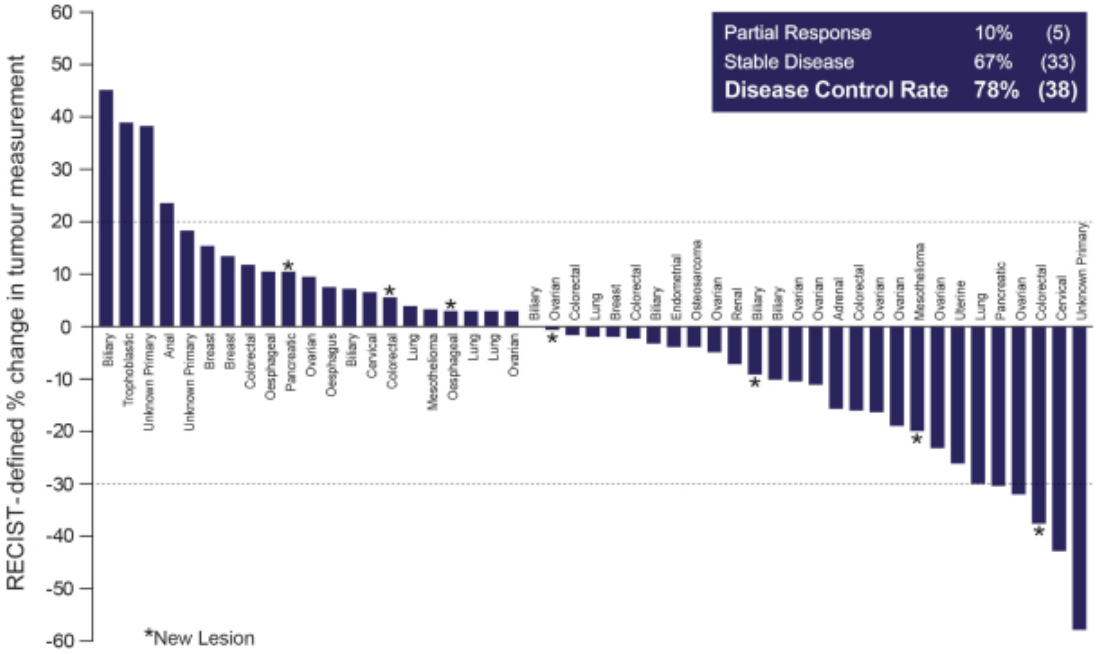
Acelarin has been evaluated in one Phase 1 dose-ranging clinical trial and is being evaluated in four clinical trials across numerous solid tumor cancer indications: Phase 1b for recurrent ovarian cancer; Phase 2 for platinum-resistant ovarian cancer; Phase 1b for biliary cancer; and Phase 3 for pancreatic cancer.

The vast majority of patients in the completed Phase 1 trial and the ongoing Phase 1b ovarian trial were resistant or refractory to all existing standards of care and yet a high proportion obtained significant tumor regression or stable disease when treated with Acelarin. Both of these investigator-sponsored trials were conducted in the United Kingdom under a clinical trial authorization, or CTA, by the Medicines and Healthcare products Regulatory Agency, or MHRA. These trials were designed to assess the safety, pharmacokinectics and clinical activity of Acelarin as monotherapy or in combination with carboplatin.

Acelarin: Phase 1 clinical trial (PRO-001). In the completed Phase 1 trial, 68 patients with advanced solid tumors and metastatic disease that had previously been treated with other systemic anti-cancer therapies received Acelarin as monotherapy at doses ranging from 375 mg/m^2 to 1,000 mg/m^2. All of these patients had rapidly progressing recurrent disease, had received on average 2.7 prior lines of chemotherapy, and had exhausted all other standard treatment options. Initial signs of efficacy were evaluated using the standard scoring system known as Response Evaluation Criteria In Solid Tumors, or RECIST. A subset of 49 patients received two or more cycles of Acelarin, equivalent to two or more months of therapy, and had at least one follow-up radiographic assessment to measure changes in tumor size. Of these patients, five achieved a partial response, with at least a 30% decrease in tumor size, although not all of these five patients received a final confirmatory scan as technically required by the RECIST criteria for classification as a partial response. Another 33 patients

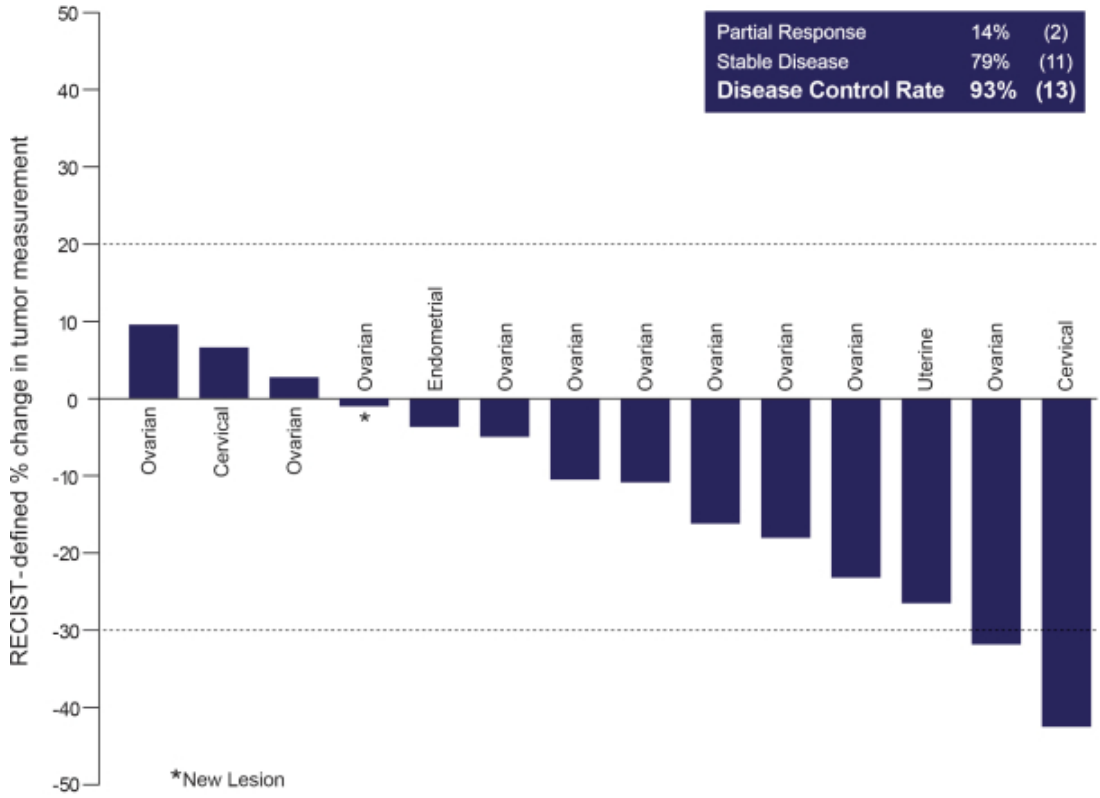
had tumors that either decreased by up to 30% or increased by less than 20% and were scored as having stable disease. This resulted in an overall disease control rate, the combination of both partial response and stable disease, of 78% in the total 49-patient evaluable population.

The following graph illustrates the best percentage change from baseline tumor size in the 49 evaluable patients. Asterisks in the graph below indicate patients who had disease progression as a result of a new lesion rather than an increase in size of any existing measurable tumors. These patients are accordingly not included in the partial response or stable disease classifications. The median progression-free survival in the 49 evaluable patients was 4.0 months with a range of two to 25 months. Of the 33 patients who achieved stable disease, 32 maintained stable disease for at least 12 weeks.



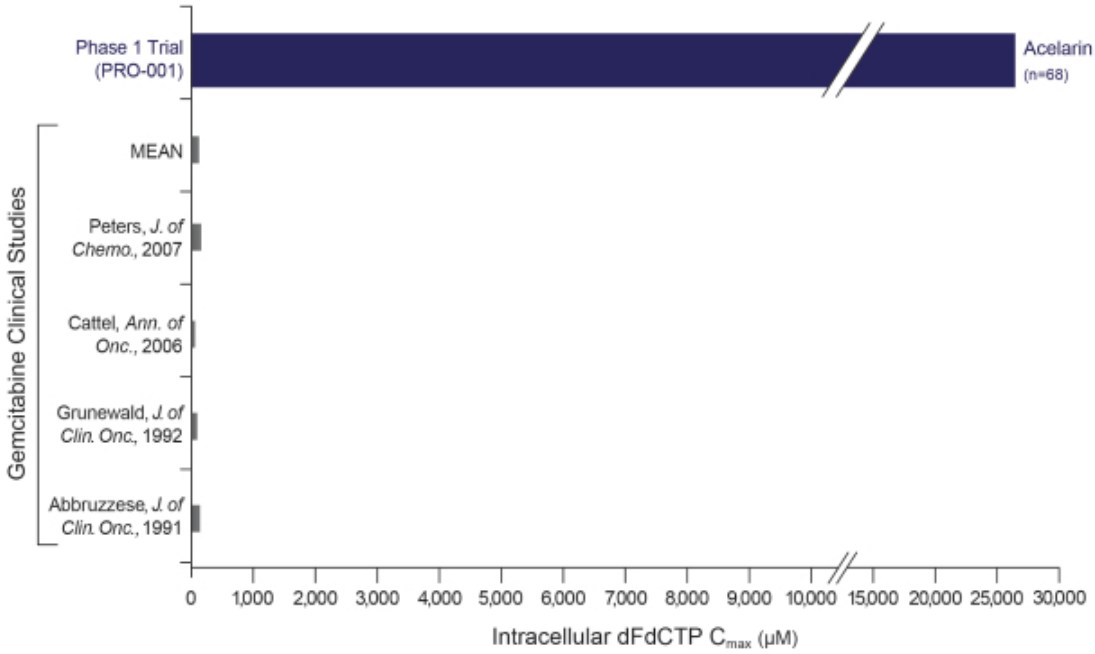
An analysis was performed on a subset of 18 patients from the same trial who had some form of gynecological cancer: ovarian, endometrial, cervical or uterine cancers. This patient subset had received on average 3.5 prior lines of chemotherapy. Of these patients, 14 were evaluable. Two of these 14 heavily pre-treated patients with gynecological cancer achieved a partial response and an additional 11 achieved stable disease, resulting in a disease control rate of 93% with a median progression-free survival duration of 8.0 months. In the seven evaluable patients with platinum-refractory or platinum-resistant ovarian cancer, the median progression-free survival duration was also 8.0 months.

The following graph illustrates the best percentage change from baseline tumor size in the 14 evaluable patients with gynecological cancer. The asterisk in the graph below indicates the one patient who experienced progressive disease as a result of a new lesion rather than an increase in size of any existing measurable tumor. This patient is therefore not included in the partial response or stable disease classifications.

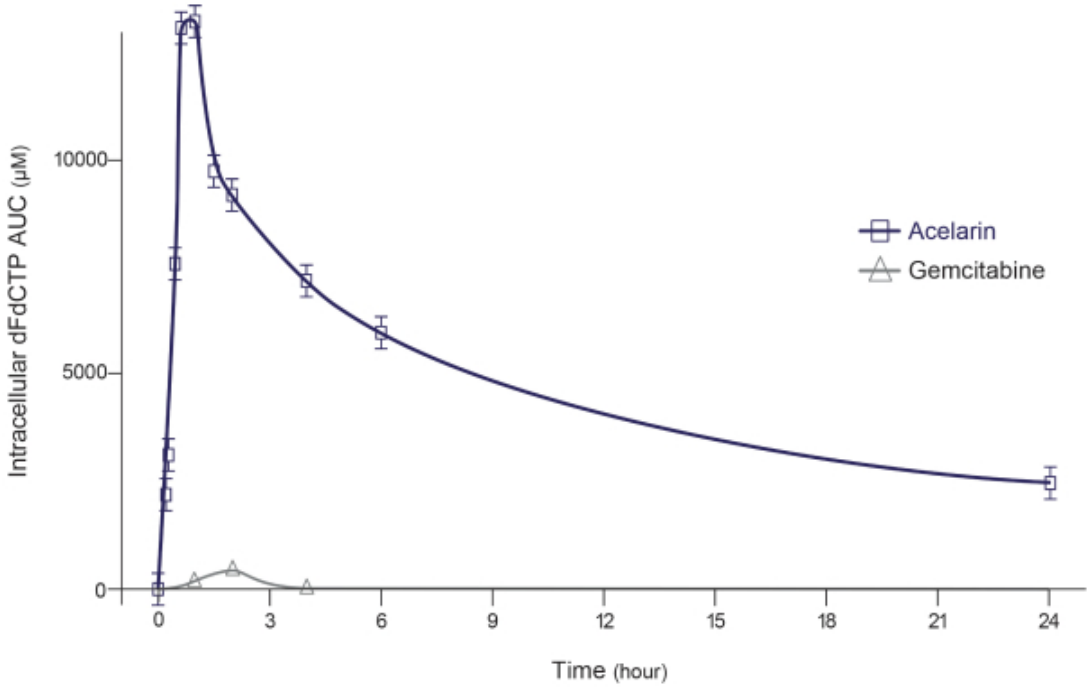


While not directly comparable to Acelarin, Doxil, or pegylated liposomal doxorubicin, a standard of care for patients with recurrent ovarian cancer, was assessed in the AURELIA clinical trial in patients who had received no more than two prior lines of chemotherapy. Doxil was associated with an overall response rate of 8% and a median progression-free survival duration of 3.5 months.

In the Phase 1 trial, Acelarin had a plasma half-life of 8.3 hours, as compared to the plasma half-life of gemcitabine, which ranges from 42 minutes to 94 minutes. The median intracellular levels of the active anti-cancer metabolite, dFdCTP, achieved with Acelarin were over 200 times higher than those reported in the literature for gemcitabine on an equimolar dose comparison, as shown in the graphic below. Equimolar means that all of the doses being compared contained the same number of molecules of Acelarin or gemcitabine.



We observed levels of dFdCTP that were still higher 24 hours after dosing with Acelarin than the maximum reported concentration generated with gemcitabine at its peak level two hours after dosing. Furthermore, the concentration of intracellular dFdCTP over a 24-hour period, as measured by the area under the curve, or AUC, a measure of drug exposure over time, was 139 times higher for Acelarin on an equimolar dose comparison compared to the levels reported for gemcitabine in the literature referenced above. We have combined the data from those four studies in order to derive the curve shown in the graphic below.



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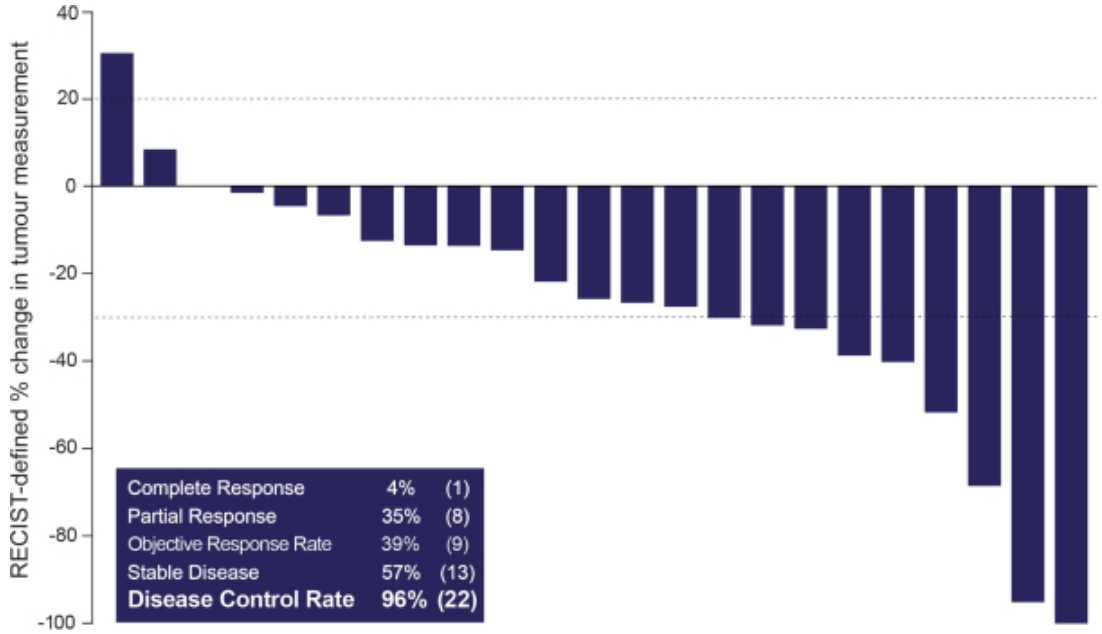
We believe that the higher concentrations of dFdCTP results from Acelarin's ability to bypass the key cancer resistance mechanisms and its favorable pharmacokinetics, or the process by which Acelarin is distributed and metabolized in the body.

Acelarin was generally well-tolerated. The most common Grade 3 and Grade 4 treatment-related adverse events, which occurred in 10% to 20% of patients, were fatigue and decreased counts of blood cells, including neutrophils, lymphocytes and platelets. A total of eight dose-limiting toxicities were observed in four patients at doses of 725 mg/m^2 and above. These included Grade 3 increases in liver enzymes known as transaminases, and Grade 4 decreases in platelets and neutrophils. All of these adverse events were transient and all patients recovered. To date, we have not observed any treatment-related adverse events that have not previously been associated with gemcitabine.

Acelarin: Phase 1b clinical trial in combination with carboplatin (PRO-002). In the Phase 1b trial, 25 patients with recurrent ovarian cancer received Acelarin at doses from 500 mg/m^2 to 750 mg/m^2 in combination with carboplatin for a maximum of six treatment cycles lasting three weeks each. Patients had received on average three prior lines of chemotherapy and had a median age of 64. Of the 25 patients enrolled, 23 were evaluable and these patients were characterized by their platinum status: seven were platinum-refractory, 10 were platinum-resistant, four were partially platinum-sensitive and two were platinum-sensitive. Efficacy was evaluated using the RECIST standard scoring system. The 23 evaluable patients had received one or more cycles of Acelarin in combination with carboplatin and had at least one follow-up radiographic assessment to measure changes in tumor size. Of these patients, one achieved a complete response, with a complete disappearance of all target lesions, and eight achieved a partial response, with at least a 30% decrease in tumor size, although not all of these patients have received a confirmatory scan. This resulted in an overall response rate of 39%. Another 13 patients had tumors that either decreased by up to 30% or increased by less than 20% and were scored as having stable disease. This resulted in a disease control rate of 96%. The median progression-free survival duration for all 25 patients recruited was 7.3 months and for the evaluable population was 7.4 months.

The following graph illustrates the best percentage change from baseline tumor size in the 23 evaluable patients.



Although gemcitabine has never been approved as a single agent for patients with ovarian cancer, it is approved in combination with carboplatin in patients who have relapsed at least six months after completion of platinum-based therapy. These patients are platinum-sensitive or partially platinum-sensitive. In this population, as a second line treatment, the combination of gemcitabine and carboplatin achieved an overall response rate of 47% and a disease control rate of 85%. Due to the toxicity burden of gemcitabine, carboplatin is limited to a suboptimal dose. Even at the suboptimal dose of carboplatin, the incidence of Grade 3 and Grade 4 neutropenia, or low neutrophils, and thrombocytopaenia, or low platelets, was 71% and 35%, respectively, with this combination.

The results of the Phase 1b Acelarin trial suggest that Acelarin can be combined with carboplatin at a higher, more optimal carboplatin dose. In the seven patients with platinum partially sensitive and sensitive disease, the incidence of Grade 3 and Grade 4 neutropenia and thrombocytopaenia was 43% and 0%, respectively. In all 25 patients, the incidence of Grade 3 and Grade 4 neutropenia and thrombocytopaenia was 52% and 32%, respectively.

The data from the Phase 1b trials are interim because the Phase 1b trial is still ongoing. Interim data are not necessarily predictive of final results and may change as the data are further examined, more patient data become available and the final clinical study report is prepared and issued. As a result, interim data should be viewed with caution until the final data are available. Initial success with either interim or final data in early-stage clinical trials may not be indicative of results obtained in later-stage trials, and the results of our clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for marketing approval. Statistical significance means that an effect is unlikely to have occurred by

chance. Clinical trial results are considered statistically significant when the probability of the results occurring by chance, rather than from the efficacy of the product candidate, is sufficiently low. We plan to design our later stage trials to establish the statistical significance of the efficacy of our ProTides.

Acelarin development strategy and ongoing clinical trials

Acelarin has been administered to over 140 patients with a wide range of advanced cancers. We are developing Acelarin for multiple indications: in both platinum-resistant and platinum-sensitive ovarian cancer; as first-line treatment in biliary cancer, an indication in which no drug has ever been approved; and as first-line treatment in pancreatic cancer.

Our ongoing clinical trials are:

- a Phase 2 trial, in up to 64 patients with platinum-resistant ovarian cancer, to establish the optimal dose of Acelarin as monotherapy, with the expectation of interim data in 2018;
- a Phase 1b trial, in up to 24 patients with biliary cancer, to establish the optimal dose of Acelarin in combination with cisplatin as a first-line treatment, with the expectation of interim results in 2018; and
- a Phase 3 trial expected to enroll 328 patients with metastatic pancreatic cancer to compare Acelarin to gemcitabine as a first-line treatment, facilitated by the National Cancer Research Institute in the United Kingdom.

The Phase 2 trial in platinum-resistant ovarian cancer is being conducted under an Investigational New Drug application, or IND, in the United States and a CTA in the United Kingdom.

The Phase 1b trial in biliary cancer and the Phase 3 trial in pancreatic cancer are investigator-sponsored trials and being conducted under a CTA in the United Kingdom.

Ovarian cancer

Overview. Ovarian cancer is the fifth-leading cause of cancer death in women in the United States. According to the U.S. National Cancer Institute, there are approximately 22,000 new cases and 14,000 cancer-related deaths each year from ovarian cancer in the United States. Worldwide, there are approximately 225,000 new cases of ovarian cancer and 140,000 deaths yearly. Surgery and cytotoxic chemotherapies are widely used to treat ovarian cancer; however, the outcomes have changed little over several decades. The five-year survival rate for ovarian cancer patients in the United States has improved only marginally from 42.2% in 1995 to 46.6% in 2009.

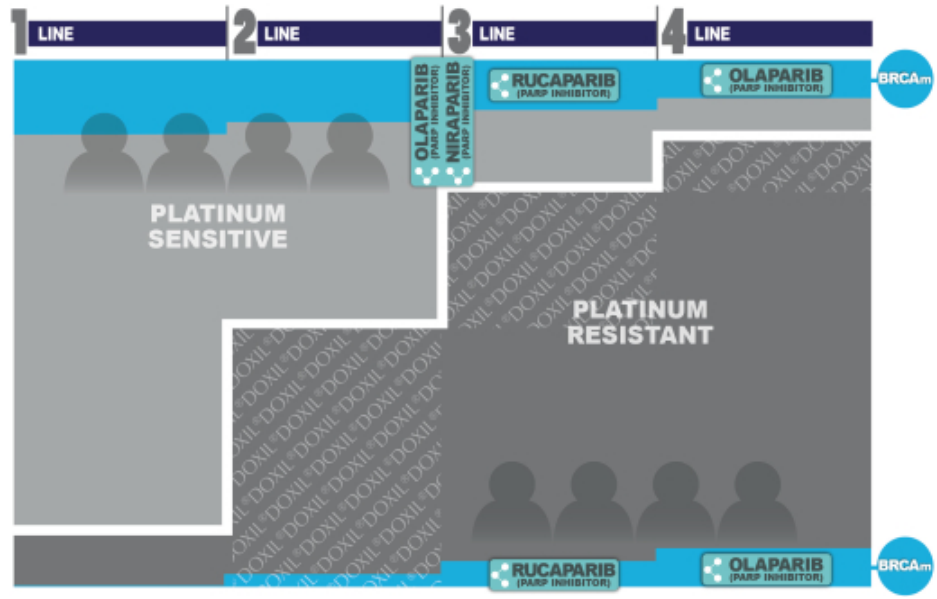
Limitations of current treatment options in ovarian cancer. First-line therapy for patients with advanced ovarian cancer is typically a combination of a platinum drug, such as carboplatin, and a taxane drug such as paclitaxel. Due to toxicities, most patients undergo a maximum of six cycles, equivalent to four and a half months, of this therapy. Between 62% and 85% of patients will relapse depending on the stage of the disease, and these patients can be divided into four groups depending on length of time between the end of treatment and the relapse. Those with disease progression while receiving platinum-based therapy or who relapse within four weeks of the last platinum dose are defined as platinum-refractory. Those relapsing after more than one month but less than six months are deemed platinum-resistant and have a worse prognosis than partial platinum-sensitive patients, who relapse between six and 12 months, and platinum-sensitive patients, who relapse after more than 12 months.

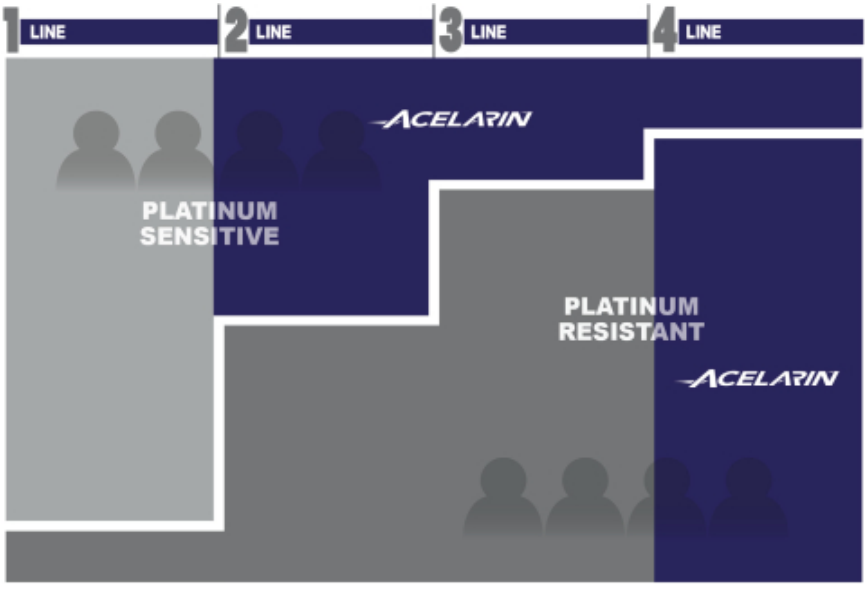
Relapsed platinum-sensitive patients typically receive a platinum-containing agent such as carboplatin or cisplatin in combination with other therapies such as gemcitabine. The addition of gemcitabine to carboplatin in these patients increased the progression-free survival to 8.6 months from 5.8 months with carboplatin alone but

had no significant effect on overall survival. Gemcitabine as monotherapy, although not approved, is used in relapsed, platinum-resistant ovarian cancer patients resulting in progression-free survival of approximately four months.

Recently, a new class of anti-cancer drugs, known as PARP inhibitors, has been approved for the third- or fourth-line treatment of a subset of ovarian cancers, specifically those containing mutations in BRCA genes, or BRCAm, which constitute approximately 15% of ovarian cancer patients. PARP inhibitors have also been approved as maintenance therapy in patients with recurrent ovarian cancer with a complete or partial response to platinum-based chemotherapy.

The market can be simplified into platinum-resistant and platinum-sensitive (including partially platinum-sensitive) ovarian cancer patients. The following illustrations show how platinum-resistance increases with line of therapy and highlights where some existing therapies are being utilized and the ovarian cancer indications we are targeting with Acelarin.





Biliary cancer

Overview. Biliary cancers, including cholangiocarcinoma, gallbladder and ampullary carcinoma, are cancers originating in the bile duct, a vessel that transports bile from the liver to the gall bladder and small intestine. Approximately 178,000 new cases of biliary cancer are diagnosed each year worldwide, with approximately 9,000 of those diagnoses in the United States.

Limitations of current treatment options in biliary cancer. There are currently no agents approved for the treatment of biliary cancer; however, the worldwide standard of care in biliary cancer patients with advanced or metastatic disease is the combination of gemcitabine and cisplatin. Patients receiving this regimen have a median overall survival of 11.7 months compared to 8.1 months for patients receiving gemcitabine as monotherapy.

Pancreatic cancer

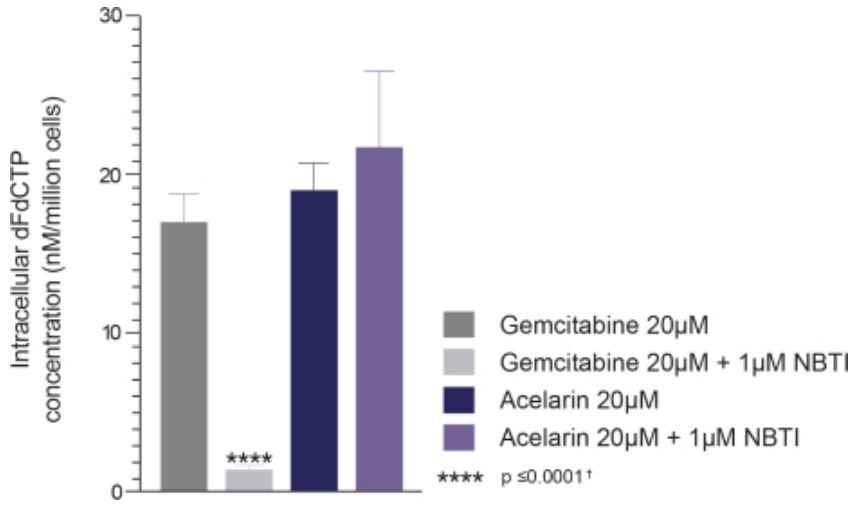
Overview. Pancreatic cancer is the third-leading cause of cancer deaths in the United States with approximately 53,000 new diagnoses and 41,800 deaths in 2016. Worldwide, there were approximately 338,000 new pancreatic cancer diagnoses in 2012. Approximately 85% of patients diagnosed with pancreatic cancer have advanced disease at the time of diagnosis, are ineligible for surgery and are treated with chemotherapy. Patients with pancreatic cancer have a poor prognosis, with a five-year survival rate of only 7.7%.

Limitations of current treatment options in pancreatic cancer. First-line treatment in pancreatic cancer for patients with a good performance score, which is a standard measure of general well-being, is a combination of 5-FU, oxaliplatin, leucovorin and irinotecan, a treatment regimen known as FOLFIRINOX. Treatment with FOLFIRINOX is, however, associated with high levels of toxicity, so it is generally not recommended for patients without good performance scores. For patients with a less robust performance score, a common first-line treatment is a combination of gemcitabine and nab-paclitaxel, or Abraxane®. For patients who are less fit or who have co-morbidities, the standard of care is single-agent gemcitabine. In separate clinical trials, patients treated with FOLFIRINOX had a median overall survival of 11.1 months and patients treated with the combination of gemcitabine and nab-paclitaxel had a median overall survival of 8.5 months. The addition of nab-paclitaxel to gemcitabine resulted in a seven-week improvement in median overall survival compared to gemcitabine alone.

Acelarin preclinical data

Prior to progressing our product candidates into clinical trials, we wanted to evaluate in preclinical studies whether Acelarin would: (1) be able to enter cells independent of transporters, including hENT1; (2) generate the active anti-cancer metabolite, dFdCTP, inside cancer cells without the need for the phosphorylating enzyme dCK; and (3) not be susceptible to breakdown by enzymes like CDA. The results of these preclinical studies are summarized below:

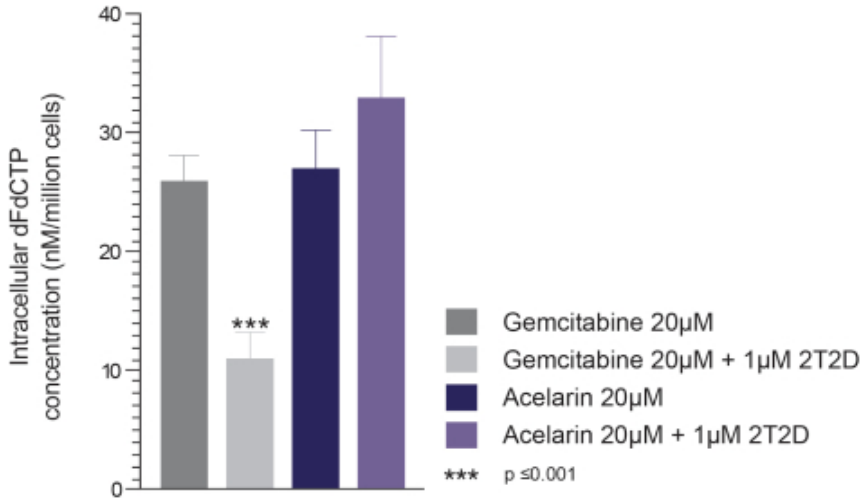
1. Acelarin is not dependent on transporters to enter cancer cells. Gemcitabine requires the hENT1 transporter to cross the cell membrane. Evidence of this can be seen in cellular assays we completed in which hENT1 was specifically blocked by an inhibitor known as NBTI in human cancer cells. A group including our researchers published a study in the *Journal of Medicinal Chemistry* in which we observed that Acelarin did not require hENT1 in order to enter cells and that NBTI had no effect on intracellular levels of dFdCTP. These results are illustrated below.



(†) p-value is a conventional statistical method for measuring the statistical significance of preclinical study and clinical trial results. A p-value of 0.05 or less represents statistical significance, meaning that there is a 1-in-20 or less likelihood that the observed results occurred by chance. A p-value of 0.0001 or less means that there is a 1-in-10,000 or less likelihood that the observed results occurred by chance.

This finding was confirmed in a separate study where hENT1 was blocked by dipyridamole, a commonly used nucleoside transporter inhibitor, with the result that gemcitabine's ability to kill the cancer cells was significantly reduced while Acelarin retained its activity.

2. Acelarin does not require rate-limiting activation step. Gemcitabine must be phosphorylated, or activated, inside the cell by the addition of a phosphate group to the molecule in order to exert a cytotoxic effect. This phosphorylation requires the enzyme dCK. In our preclinical studies, inhibition of dCK by a specific inhibitor, known as 2T2D, significantly reduced the phosphorylation step to generate dFdCTP within human cancer cells while Acelarin was unaffected by 2T2D and was still able to generate the same level of the key active anti-cancer metabolite, dFdCTP. These results are illustrated below.



This observation is consistent with the fact that Acelarin already includes the first phosphate group and thus does not require the action of dCK for activation. Furthermore, we confirmed these findings in a separate study in which we blocked the action of dCK with the inhibitor deoxycytidine, which significantly reduced the ability of gemcitabine to kill the cancer cells while Acelarin retained its activity.

3. Acelarin not susceptible to breakdown by CDA. Nucleoside analogs such as gemcitabine are susceptible to breakdown by enzymes such as CDA. The presence of the phosphate on Acelarin protects it from breakdown by CDA. In our preclinical studies, incubation of Acelarin with purified CDA resulted in no degradation of Acelarin over the full 30-minute assay while gemcitabine under these same conditions was almost completely degraded in two minutes.

We believe that the ability of Acelarin to generate the active anti-cancer metabolites within the cancer cells in higher concentrations than gemcitabine gives Acelarin the potential to have greater efficacy and to overcome the key cancer cell resistance mechanisms, while avoiding breakdown and release of toxic byproducts.

NUC-3373: A Transformation of 5-FU

We have designed our second ProTide, NUC-3373, to overcome the key cancer resistance mechanisms, improve upon the safety profile and reduce the dosing administration burdens associated with the nucleoside analog, 5-FU. We are advancing NUC-3373 in the clinic and developing this new chemical entity as a therapy for colorectal cancer, breast cancer and other solid tumors.

5-FU and its Limitations

First introduced in 1957, 5-FU is still widely used for the treatment of many cancers, including colorectal, breast, stomach, head and neck, and pancreatic cancers. Approximately 500,000 patients per year in North America receive 5-FU.

5-FU requires conversion to the phosphorylated anti-cancer metabolite, fluorodeoxyuridine monophosphate, or FUDR-MP, before it can exert its primary cytotoxic activity through the inhibition of an intracellular enzyme, thymidylate synthase, or TS. TS is required to convert uridine, specifically deoxy-uridine monophosphate, or dUMP, to thymidine, specifically deoxy-thymidine monophosphate, or dTMP, one of the four nucleotides that comprise DNA. The inhibition of TS therefore results in an imbalance in the ratio of the nucleotides dUMP and dTMP, disrupting DNA synthesis and repair, which leads to cancer cell death.

Two other drugs have been approved that aim to generate the same active anti-cancer metabolite as 5-FU: fluorodeoxyuridine, or Floxuridine, marketed as FUDR®, and capecitabine, marketed as Xeloda®. Like 5-FU, both of these drugs must be converted to FUDR-MP inside the cancer cell in order to exert their primary cytotoxic activity. Capecitabine is a derivative of 5-FU containing a chemical modification of the nucleoside ring, which allows oral dosing of capecitabine.

Similar to gemcitabine, the key cancer resistance mechanisms of breakdown, activation and transport have been associated with a poor prognosis to a 5-FU therapeutic regimen. We believe our ProTide, NUC-3373, overcomes these specific key resistance mechanisms as well as dosing administration challenges associated with 5-FU.

1. Subject to breakdown. More than 85% of an injected dose of 5-FU is degraded by dihydropyrimidine dehydrogenase, or DPD, an enzyme largely expressed in the liver. This breakdown destroys most of the drug before it has an opportunity to enter the cancer cell, become activated and exert any therapeutic effect. Furthermore, this breakdown results in the generation of a toxic byproduct, F-BAL, which has been associated with off-target toxicity, such as “hand-foot syndrome,” which is reported in various sources as affecting at least half of patients treated with 5-FU. Hand-foot syndrome is a reddening, swelling, numbness and skin sloughing or peeling on the palms of the hands and soles of the feet**.** In addition, levels of DPD have also been found to be elevated in tumors that are resistant to 5-FU.

2. Requires activation within the cancer cell. Once 5-FU enters cells, it must be processed by a series of enzymes to generate the active anti-cancer metabolite, FUDR-MP. FUDR-MP binds to and inhibits TS, leading to decreased levels of thymidine and resulting in cancer cell death. There are several key enzymes involved in the conversion of 5-FU to the active anti-cancer metabolite, FUDR-MP. One of these is orotate phosphoribosyl transferase, or OPRT. Lower levels of OPRT in tumor cells are associated with resistance to 5-FU. Another intracellular enzyme, thymidine phosphorylase, or TP, can reversibly convert 5-FU to fluorodeoxyuridine, or FUDR, an intermediate to the formation of FUDR-MP. Low expression of TP in human cancer cells is associated with resistance to 5-FU. In addition, thymidine kinase, or TK, is the enzyme that converts FUDR to the active anti-cancer metabolite, FUDR-MP. Low expression of TK in human cancer cells is associated with resistance to 5-FU.

3. Requires active transport. Similar to gemcitabine and all nucleoside analogs, 5-FU relies on specific transporters in order to cross the cellular membrane. If these transporters are not present or are expressed in low

levels, 5-FU's ability to enter into the cancer cell will be limited. For example, low expression of the nucleoside transporter, hENT1, has been associated with cancer cell resistance to 5-FU.

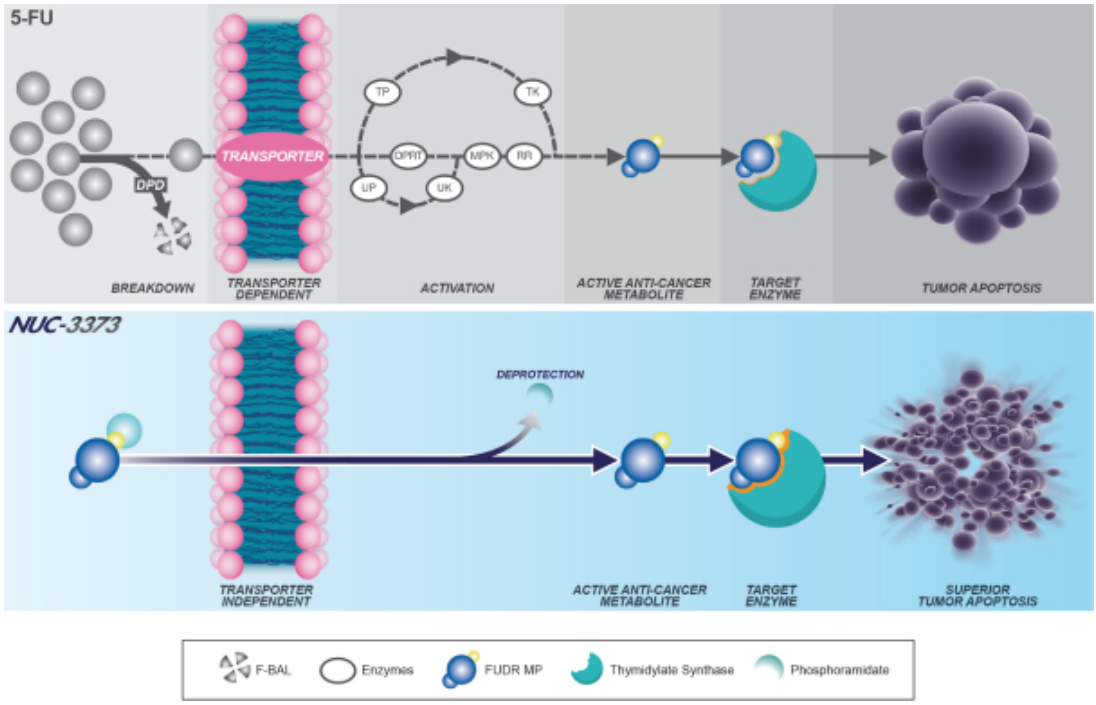
4. Dosing administration challenges. The pharmacokinetic and pharmacodynamic properties of 5-FU also lead to dosing administration challenges. Pharmacodynamic properties refer to the biochemical and physiological effects of a drug on the human body. 5-FU has a half-life between eight and 14 minutes in plasma. In an effort to counter this short time period, healthcare providers often administer 5-FU as a continuous infusion over extended periods of time, often days. For example, patients being treated for colorectal or pancreatic cancer typically receive their first dose, or loading dose, of 5-FU over 46 hours using a portable infusion pump. This dosing regimen creates burdens for providers, inconveniences patients and contributes additional costs to the healthcare system.

Our Solution: NUC-3373

We designed our second ProTide, NUC-3373, to overcome the key cancer resistance mechanisms, improve upon the safety profile and reduce the dosing administration burdens associated with the nucleoside analog, 5-FU. NUC-3373 is a nucleotide analog that delivers the same active anti-cancer metabolite, FUDR-MP, that 5-FU aims to generate within a cancer cell, but at far higher concentrations. NUC-3373 is in a Phase 1 clinical trial in patients with advanced solid tumors.

Unlike 5-FU, NUC-3373 consists of the active anti-cancer metabolite, FUDR-MP, and a protective phosphoramidate moiety. This moiety allows NUC-3373 to enter the cell without the need for any membrane transporters. Once inside the cancer cell, the phosphoramidate moiety is optimally cleaved off, resulting in deprotection and the release of FUDR-MP. This bypasses the need for any activating enzymes, resulting in significantly higher levels of the active anti-cancer metabolite, which we believe may lead to improved efficacy as compared to 5-FU. In addition, because NUC-3373 avoids breakdown by the enzyme DPD, certain toxic byproducts such as F-BAL are not released, which we believe may lead to an improved tolerability profile as compared to 5-FU. Lastly, we believe that the improved pharmacokinetic and pharmacodynamic profile, including the significantly longer half-life of NUC-3373, may result in a more favorable dosing regimen relative to 5-FU.

The metabolism of NUC-3373 compared to 5-FU as described above is illustrated in the following graphic.



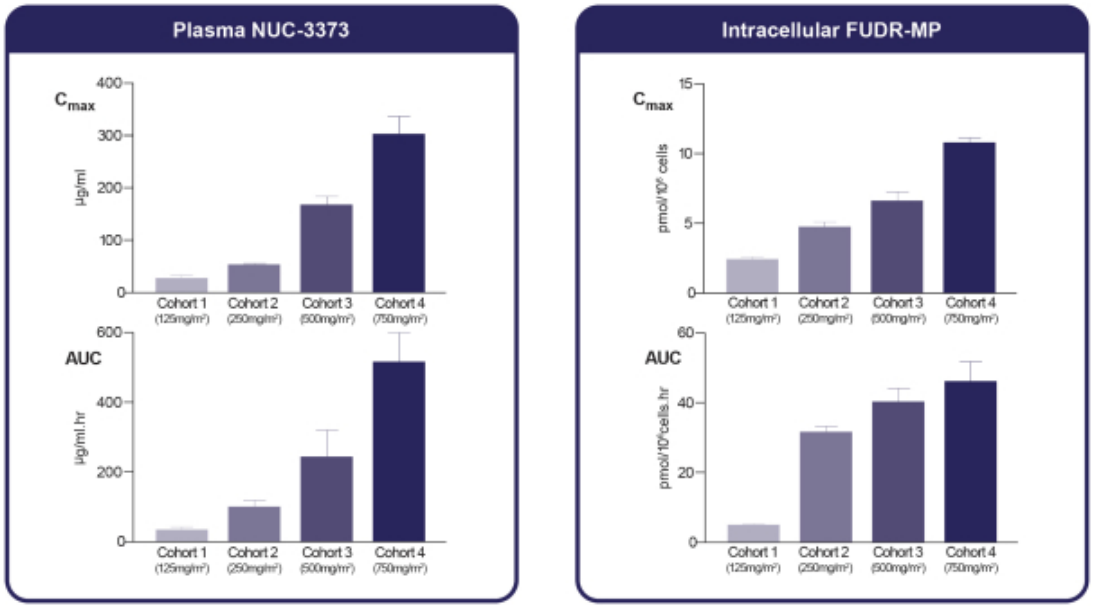
Clinical Data

NUC-3373 is currently being evaluated in a Phase 1 trial in patients with advanced solid tumors. We are planning further clinical trials across a number of indications, including colorectal cancer and metastatic breast cancer.

NUC-3373: Phase 1 clinical trial. We have initiated a Phase 1 clinical trial of NUC-3373 in which we are planning to enroll approximately 76 patients. We have currently enrolled over 20 patients with ten different advanced solid tumor types. We have completed four dose cohorts and we are continuing with dose-escalation cohorts to establish the optimal dose and frequency of administration. Patients are being dosed with a short infusion of NUC-3373, initially once per week.

In this trial, we are measuring various pharmacokinetic and pharmacodynamic parameters, including plasma concentration of NUC-3373, intracellular concentrations of the active anti-cancer metabolite, FUDR-MP, the ability of NUC-3373 to bind to its target enzyme, TS, and the downstream effects on the levels of dTMP.

We have interim data from 21 of the patients currently enrolled in the trial. The following graphs on the left labeled “Plasma NUC-3373” illustrate the maximum plasma concentrations, or Cmax, of NUC-3373 among the four cohorts as measured after one administration and the plasma concentrations of NUC-3373 over time, as measured by AUC. The following graphs on the right labeled “Intracellular FUDR-MP” illustrate the corresponding data for intracellular levels of the active anti-cancer metabolite, FUDR-MP.



The interim data from these 21 patients also showed:

- pharmacokinetics were consistent across patients and showed a linear dose response;
- NUC-3373 had a plasma half-life of 9.7 hours compared with the half-life of 8 to 14 minutes for 5-FU reported in the literature;
- intracellular FUDR-MP was detected within five minutes after infusion with a half-life of 14.9 hours while the literature reports that 5-FU does not generate detectable levels of intracellular FUDR-MP;
- intracellular FUDR-MP was still detectable up to 48 hours after dosing;
- within one hour after infusion, FUDR-MP had bound to the target enzyme, TS, leading to depletion of intracellular dTMP two to four hours after administration; and
- the toxic byproducts, FBAL and dhFU, were undetectable both intracellularly and in the patient's plasma.

These interim pharmacokinetic and pharmacodynamic data support our belief that NUC-3373 may have greater anti-cancer activity, an improved safety profile and a lower dosing administration burden than 5-FU. We expect final data from this Phase 1 trial in 2018.

NUC-3373 Development Strategy and Planned Clinical Trials

We are rapidly developing NUC-3373 for multiple indications and initially targeting advanced colorectal cancer and metastatic breast cancer. We intend to initiate the following clinical trials in 2018:

- a Phase 1b trial in approximately 36 patients with recurrent metastatic colorectal cancer in combination with standard agents that are routinely used in combination with 5-FU, including leucovorin, oxaliplatin and irinotecan. The FDA recently provided authorization, following review of our IND, for this study to proceed;
- a Phase 3 trial in 400 patients with end-stage metastatic colorectal cancer; and
- a Phase 2 trial in 50 metastatic breast cancer patients who have been previously treated with post-anthracycline and taxane therapy.

The Phase 1 trial in advanced solid tumors is investigator-sponsored and being conducted under a CTA.

Colorectal Cancer Overview

In the United States, approximately 135,000 new cases of colorectal cancer and 50,000 deaths due to the disease are expected in 2017. Worldwide, there were an estimated 1.4 million new colorectal cancer cases and 694,000 deaths in 2012, and the global burden is expected to increase to more than 2.2 million new cases and 1.1 million deaths annually by 2030. Most systemic therapies for colorectal cancer include 5-FU, either as monotherapy or in combination with another chemotherapeutic, typically oxaliplatin or irinotecan. Both alone and in combination, 5-FU is the single most effective compound against these tumors. Nevertheless, despite being the standard of care, the effectiveness of 5-FU is modest. Overall response rates are in the range of 10% to 15%.

Breast Cancer Overview

Approximately one in eight women will be diagnosed with breast cancer at some point in their lifetime. In the United States alone, approximately 253,000 women are expected to be diagnosed with the disease and over 40,000 women are projected to die from it in 2017. On a worldwide basis, approximately 1.7 million women were diagnosed with breast cancer in 2012.

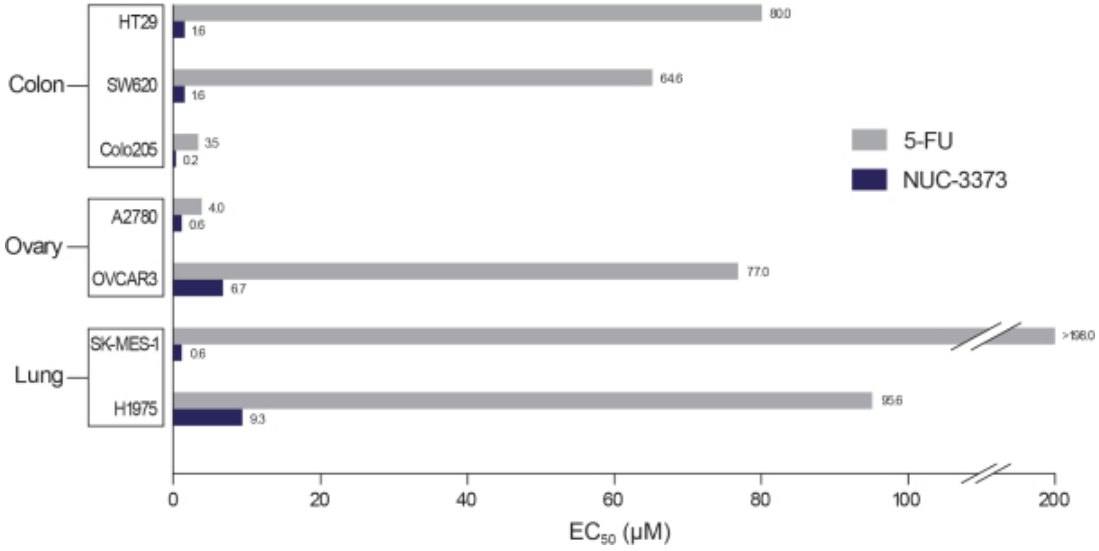
An estimated 30% of all breast cancers become metastatic and require systemic treatment. There are many available agents to treat metastatic breast cancer and the choice of therapy depends on factors such as tumor burden, the patient's overall health, prior history of cancer treatment, the importance to the patient of minimizing toxicity, dosing convenience, and the physician's preferences. Physicians often prefer to treat patients with limited metastatic disease with these agents used as monotherapy in a sequential fashion. Initially, taxanes, such as docetaxel, paclitaxel and nabpaclitaxel, and anthracyclines, such as doxorubicin and epirubicin, are frequently prescribed. However, these categories of therapeutics must be administered intravenously and are commonly associated with neutropenia, or low neutrophils, and gastrointestinal toxicities. The nucleoside analog, capecitabine, which is a prodrug of 5-FU, has advantages over taxanes and anthracyclines and has become a standard of care for patients with metastatic breast cancer. Recently, the PARP inhibitor olaparib has shown a clinical benefit for metastatic breast cancer patients with a BRCA mutation, who represent approximately 5% of this population.

NUC-3373 Preclinical Data

NUC-3373 avoids breakdown. In our preclinical studies, NUC-3373, unlike 5-FU, was not susceptible to breakdown by the enzyme DPD, which is a major factor in limiting the efficacy of 5-FU. Therefore, the ability of NUC-3373 to generate the active anti-cancer metabolite, FUDR-MP, should be unaffected by DPD activity and result in much higher intracellular concentrations of FUDR-MP. Furthermore, in patients receiving NUC-3373, the toxic byproduct, FBAL, produced by DPD's breakdown of 5-FU has not been observed.

In addition, a study published in the *World Journal of Gastroenterology* in 2001 indicated that approximately half of patients with colorectal cancer had tumors that were infected with a type of bacteria called mycoplasma. A 2008 study published in the *International Journal of Cancer Research and Treatment* highlighted that 5-FU's activity was reduced by up to 100 times in cancer cell lines infected with mycoplasma. In our preclinical studies, the anti-cancer activity of NUC-3373 was unaffected by the presence of mycoplasma infection.

NUC-3373 has greater anti-cancer activity than 5-FU. In preclinical studies, NUC-3373 was not reliant on activating enzymes, including OPRT, TP and TK, all of which are essential for activating the prodrug, 5-FU. For example, we measured the anti-cancer activity of NUC-3373 and 5-FU across a range of human tumor cell lines, including colorectal, ovarian and lung cancers. NUC-3373 had up to 330 times greater activity than 5-FU. The following figure shows the levels of NUC-3373 or 5-FU required, in various tumor cell lines, to kill half of the cancer cells, with the shorter bars representing more potent activity.



Studies in human colorectal cancer cells showed that NUC-3373 generated levels of the active anti-cancer metabolite, FUDR-MP, 366 times higher than those achieved by administering equivalent amounts of 5-FU. We believe that these increased levels of FUDR-MP could translate into the ability of NUC-3373 to kill various cancer cells at much lower doses than those of 5-FU. Moreover, in a preclinical colorectal cancer xenograft study, NUC-3373 showed a greater ability to reduce tumor weight and volume than 5-FU.

NUC-7738: A Transformation of Cordycepin

NUC-7738 is a ProTide transformation of cordycepin, a nucleoside analog that was isolated from the fungus cordyceps militaris in 1950. Since that time, cordycepin has not been successfully developed or approved as a chemotherapy, but has shown potent anti-cancer activity in preclinical studies conducted by other companies and research institutions. Similar to our other ProTide products, NUC-7738 is designed to generate the active anti-cancer metabolite of cordycepin directly inside cells, bypassing the resistance mechanisms of transportation, activation and breakdown. In a preclinical study, we examined the in vitro cytotoxic activity of NUC-7738 across a range of different human cancer cell lines, including leukemia, non-Hodgkin lymphoma, Hodgkin lymphoma, T-cell leukemia, multiple myeloma, pancreas, colon, liver and breast cancers, as compared with cordycepin. NUC-7738 was found, in 16 of the 20 cell lines examined in this study, to be more potent than cordycepin when comparing the concentrations of the respective compounds required to kill 50% of the cancer cells. In three leukemia cell lines, NUC-7738 was found to be more than 50-times more potent than cordycepin based on the method of comparison described above.

Cordycepin and its limitations

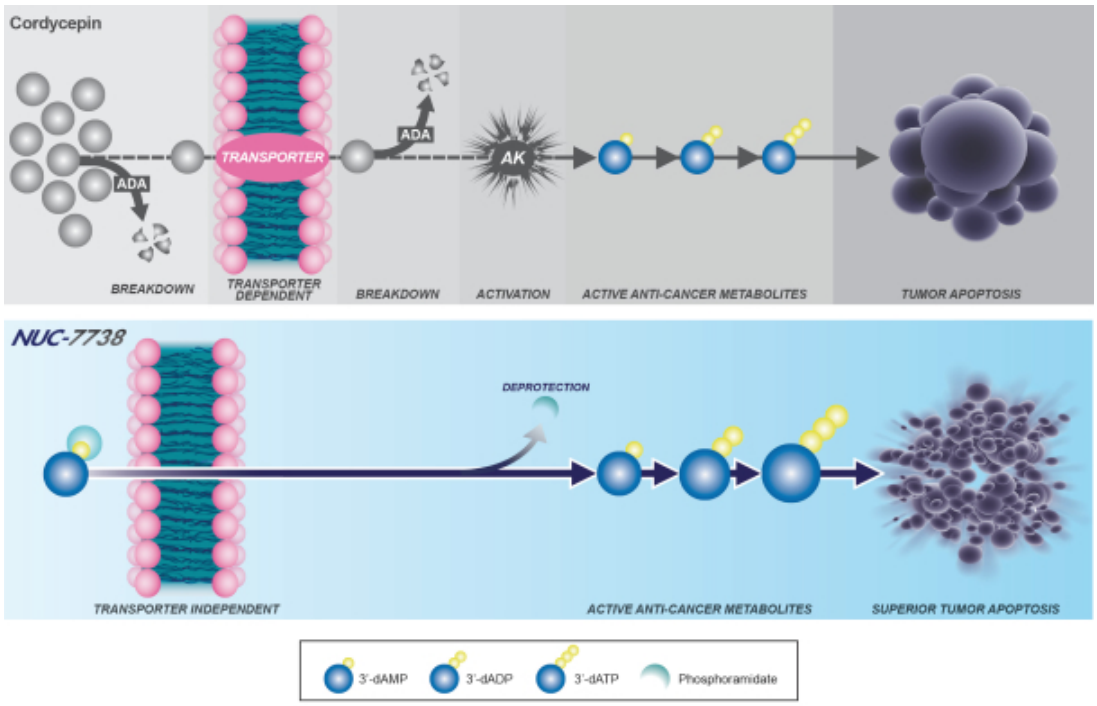
Cordycepin must be converted to its active form once inside the cancer cell. Similar to other nucleoside analogs such as gemcitabine, the rate-limiting step of activation requires the addition of a phosphate group, in this case by an enzyme called adenosine kinase, or AK. This phosphorylated form of cordecypin is subsequently converted into its active metabolite, 3’ deoxyadenosine triphosphate, or 3’ dATP. This metabolite interferes with multiple pathways in cancer cells, including purine biosynthesis, RNA synthesis and growth factor signalling pathways, such as mTOR, and therefore inhibits the proliferation of cancer cells.

Until cordycepin is converted to its phosphorylated form, it is subject to breakdown by adenosine deaminase, or ADA. Because of this potential for breakdown of cordycepin by ADA, cordycepin must be administered together with inhibitors of ADA. Given the critical role of ADA in multiple human metabolic pathways, we believe the need to inhibit ADA when administering cordycepin represents a significant obstacle to the clinical development of cordycepin. Therefore, we designed NUC-7738 to generate 3’ dATP inside cancer cells while avoiding breakdown by ADA and the requirement for AK.

Our Solution: NUC-7738

As a ProTide of cordycepin, NUC-7738, once inside the cancer cell, is rapidly converted into 3’ dATP. There is no need for AK to act on it, a process that has been shown to be rate-limiting. There is also no breakdown by ADA. This results in significantly higher levels of 3’ dATP in cells. We have observed in our preclinical studies that NUC-7738 enters into cancer cells independent of any nucleoside transporters and is converted to 3’ dATP regardless of ADA or AK levels.

The metabolism of NUC-7738 compared to cordycepin as described above is illustrated in the following graphic.



We are targeting NUC-7738 for development in both solid and hematological tumors based on the broad activity seen with cordycepin in preclinical studies. We are currently evaluating NUC-7738 in preclinical toxicology studies and we expect to initiate a Phase 1 clinical trial in 2018 in patients with solid tumors, with a second Phase 1 clinical trial planned for 2019 in patients with hematological tumors.

Molecular Profiling

Healthcare professionals often use molecular-profiling tools to help choose the optimal therapy for patients with cancer. Therapeutic responses vary among patients because cancers are heterogeneous, even for tumors arising from the same site in the body. Molecular diagnostics assays that detect specific biomarkers can provide a framework to classify tumors according to their molecular signature. In turn, the cancer profile can guide the choice of therapy for a particular patient.

As part of our clinical development strategy, we are building a molecular profiling tool with the aim of identifying patients who may receive the greatest benefit from our ProTides compared with the current nucleoside analog standards of care. We are working to identify and quantify key biomarkers relevant to Acelarin and NUC-3373, as well as to assess their predictive nature with regard to treatment. In addition, such assays may become relevant to our eventual commercial and reimbursement strategy by helping to pre-identify those patients for whom existing nucleoside analogs are unlikely to provide a significant benefit due to the existence in these patients of one or more cancer-resistance mechanisms.

Manufacturing

We currently rely, and expect to continue to rely, on third-party contract manufacturing organizations, or CMOs, for the supply of clinical trial materials of Acelarin, NUC-3373, NUC-7738 and any future product candidates under the current good manufacturing practices, or cGMP, specified by the FDA. cGMP is a regulatory standard for the production of pharmaceuticals to be used in humans. In the future, we intend to also rely on our CMOs to produce sufficient commercial quantities of Acelarin, NUC-3373, NUC-7738 and any future product candidates, if approved. We source key materials from third parties, either directly from suppliers or indirectly through our CMOs. These raw materials are generally available from multiple vendors, which provides us with a robust and cost-effective supply chain.

Manufacturing of any product candidate is subject to extensive regulations that impose various procedural and documentation requirements governing recordkeeping, manufacturing processes and controls, personnel, quality control and quality assurance, among others. We expect that all of our CMOs will manufacture Acelarin, NUC-3373 and NUC-7738 under cGMP conditions and in compliance with any similar regulatory requirements outside the United States.

Competition

The development and commercialization of new drug therapies is highly competitive. While we believe that our scientific knowledge, proprietary ProTide technology and development experience provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceutical, biotechnology and specialty pharmaceutical companies, academic institutions, governmental agencies and public and private research institutions. Any ProTide candidates that we successfully develop and commercialize will compete with existing products and new products that may become available in the future. Key product features that would affect our ability to effectively compete with other therapeutics include efficacy, safety profile, price, convenience of administration and level of promotional activity.

The most common methods of treating patients with cancer are surgery, radiation and drug therapy, including chemotherapy, hormone therapy, immunotherapy and targeted drug therapy. There are a variety of available drug therapies marketed for cancer, including many which are administered in combination to enhance efficacy. We believe that our product candidates, if approved, will principally face competition from other chemotherapies, immunotherapy and targeted drug therapies. In the field of chemotherapy, our competitors include companies that manufacture off-patent chemotherapies, including gemcitabine and 5-FU, as well as companies that have developed new or improved chemotherapies.

In addition, our product candidates, if approved, may face competition from cancer therapies developed by other companies using phosphoramidate chemistry, as well as other approved drugs or drugs that may be approved in the future for indications for which we may develop our product candidates.

The availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market. Many of the companies against which we may compete have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

Intellectual Property

We actively seek to protect the intellectual property and proprietary technology that we believe is important to our business, including seeking, maintaining, enforcing and defending patent rights for our therapeutics and processes, whether developed internally or licensed from third parties. Our success will depend on our ability to obtain and maintain patent and other protection including data/market exclusivity for our product candidates and platform technology, preserve the confidentiality of our know-how and operate without infringing the valid and enforceable patents and proprietary rights of third parties. See "*Risk Factors—Risks Related to Our Intellectual Property*."

Our policy is to seek to protect our proprietary position, generally by filing an initial priority filing at the U.K. Intellectual Property Office. This is followed by the filing of a patent application under the Patent Co-operation Treaty claiming priority from the initial application(s) and then filing applications for patent grant in territories including, for example, the United States, Europe and Japan. In each case, we determine the strategy and territories required after discussion with our patent attorneys so that we obtain relevant coverage in territories that are commercially important to us and our product candidates. We additionally rely on data exclusivity, market exclusivity and patent term extensions when available. We also rely on trade secrets and know-how relating to our underlying platform technology and product candidates. Prior to making any decision on filing any patent application, we consider with our patent attorneys whether patent protection is the most sensible strategy for protecting the invention concerned or whether the invention should be maintained as confidential.

As of September 5, 2017, we owned 176 granted patents (of which five are U.S.-issued patents) and 142 pending patent applications (of which eight are U.S. pending patent applications). Commercially or strategically important non-U.S. jurisdictions in which we hold issued or pending patent applications include: Australia, Canada, China, Eurasia (in the form of a regional patent), Europe (in the form of a regional patent), Hong Kong, Israel, Japan, South Korea, Malaysia, Mexico, Philippines, Singapore and South Africa. Not included in the patent count is one U.S. patent that is currently in reissue proceedings which were initiated by us for purposes of narrowing the claims covered by such patent.

Acelarin

We own 33 granted patents covering the composition of matter of our Acelarin product candidate which is a mixture of two diastereoisomers, both of which are therapeutically active. The patent claims are directed to the Acelarin product candidate and to a genus around that candidate. The patent has been granted in major territories, including Europe and Japan. These granted patents are expected to expire in 2024, excluding any patent term adjustments and any patent term extensions. As disclosed above, there is also one patent in the United States for Acelarin that is currently under reissue.

We own 37 granted patents, as well as 46 pending patent applications, directed towards Acelarin in single diastereoisomer form. A patent claiming the more soluble single diastereoisomer of Acelarin has been granted in Europe and corresponding patent applications are pending in other major territories, including the United States and Japan. These granted patents and patents arising from the pending applications, if issued, are expected to expire in 2033 and 2035, excluding any patent term adjustments and any patent term extensions.

We own patent applications covering formulations of Acelarin (including those used in the clinical trials), methods of making Acelarin (including as a single diastereoisomer), and specific uses of Acelarin, including the use of Acelarin in combination with carboplatin. Patents arising from these pending applications have been filed in all major territories, including the United States, Europe and Japan and are expected to expire in 2035, 2036 and 2038 excluding any patent term adjustments and any patent term extensions.

NUC-3373

We own 54 granted patents and 9 pending applications covering the composition of matter of NUC-3373, a genus around NUC-3373 and specific uses of NUC-3373. Those patents were granted in major territories, including the United States, Europe and Japan. These granted patents and patents arising from the pending applications, if issued, are expected to expire in 2032, excluding any patent term adjustments and any patent term extensions.

NUC-7738

We own 19 pending applications covering the composition of matter of NUC-7738, a genus around NUC-7738 and specific uses of NUC-7738. The patent applications are pending in major territories, including the United States, Europe and Japan. Patents arising from these pending applications, if issued, are expected to expire in 2035 excluding any patent term adjustments and any patent term extensions.

Laws and Regulations Regarding Patent Terms

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file, the patent term is 20 years from the earliest date of filing a non-provisional patent application. In the United States, a patent term may be shortened if a patent is terminally disclaimed over another patent or as a result of delays in patent prosecution by the patentee. A patent's term may be lengthened by a patent term adjustment, which compensates a patentee for administrative delays by the USPTO in granting a patent. The patent term of a European patent is 20 years from its effective filing date, which, unlike in the United States, is not subject to patent term adjustments in the same way as U.S. patents.

The term of a patent that covers an FDA-approved drug or biologic may also be eligible for patent term extension, which permits patent term restoration as compensation for the patent term lost during the FDA regulatory review process. The Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Act, permits a patent term extension of up to five years beyond the expiration of the patent. The length of the patent term extension is related to the length of time the drug or biologic is under regulatory review. Patent extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval and only one patent applicable to an approved drug may be extended. Similar provisions are available in Europe and other jurisdictions to extend the term of a patent that covers an approved drug, for example Supplementary Protection Certificates. In the future, if and when our products receive FDA approval, we expect to apply for patent term extensions on patents covering those products. We anticipate that some of our issued patents may be eligible for patent term extensions but such extensions may not be available and therefore our commercial monopoly may be restricted.

Collaboration and License Agreements

Cardiff University License

In August 2009, we entered into a research, collaboration and license agreement with Cardiff University and University College Cardiff Consultants Ltd., or Cardiff Consultants, which we refer to as the Cardiff Agreement. Under the Cardiff Agreement, we collaborate with Cardiff University in the design, synthesis, characterization and evaluation of phosphoramidate prodrugs, which we refer to as ProTides, based on certain nucleosides. We are responsible for funding certain work performed by Cardiff University and making other payments, which we expect will total approximately £141,350 in aggregate in 2017. Cardiff University and Cardiff Consultants, which is a holder of intellectual property developed by Cardiff University, have assigned to us all rights in the results of the research under the Cardiff Agreement, and agreed not to undertake any research for any competing third party on nucleoside families of interest to us where such research would make use of ProTide-related intellectual property owned or controlled by Cardiff University as of the date of the Cardiff Agreement or which at any time thereafter becomes owned or controlled by Cardiff University, which we refer to as the Cardiff intellectual property, or to grant rights in the Cardiff intellectual property to any third party for use in connection with nucleosides of interest to us.

Upon our completion of the evaluation of the ProTides, we have the right to select one or more of the evaluated ProTides as candidates for potential development of a commercial product. Cardiff University and Cardiff Consultants have granted us an exclusive worldwide license to use for all purposes the Cardiff intellectual property in respect of the nucleoside family of our selected ProTides. The exclusive dealing obligations of Cardiff University and Cardiff Consultants will continue for these nucleoside families.

On our filing, or that of a sublicensee, of patent applications resulting from research under the Cardiff Agreement, we will owe Cardiff Consultants certain immaterial payments. If we or our sublicensees develop and commercialize a product resulting from such research, we will owe Cardiff Consultants clinical development milestone payments of up to £1,875,000; provided that such milestone payments are due only with respect to the first product within each nucleoside family to achieve the milestone. We will also owe Cardiff Consultants royalties equal to a low-single digit percentage on our sales of a product resulting from such research. Should we sublicense our right to commercialize a product resulting from the research, we will owe Cardiff Consultants a high-single digit percentage of payments received in consideration of the sublicense.

The Cardiff Agreement currently expires on December 31, 2017, although prior expiration dates have been repeatedly extended through the agreement of the parties. Upon expiration, we have the right to extend the period in which we may evaluate products for three months, and for a further three months in exchange for an additional payment. The Cardiff Agreement may also be terminated for an uncured material breach. Licenses to use the Cardiff intellectual property in the development and commercialization of products we have selected for commercialization, and related payment obligations, will survive expiration of the Cardiff Agreement, but not on termination for an uncured material breach.

Cardiff ProTides Agreement

In October 2009, we entered into a license and collaboration agreement with Cardiff ProTides Ltd., or Cardiff ProTides, which agreement was subsequently amended and restated as an assignment, license and collaboration agreement in March 2012 and was further amended in May 2012, which we refer to as the ProTides Agreement. Under the ProTides Agreement, we collaborated with Cardiff ProTides in the discovery, drug design and in vitro screening of purine and pyrimidine based nucleosides as potential drug candidates. We funded certain work at Cardiff ProTides, and Cardiff ProTides has assigned to us all rights in the results of its research under the ProTides Agreement. Cardiff ProTides also assigned to us patents related to certain compounds of interest, including with respect to Acelarin, and granted us an exclusive, worldwide license, including the right to grant sublicenses, to rights in and technical information related to certain unpatented compounds for all therapeutic, diagnostic, prognostic and prophylactic applications.

If we or a sublicensee develop one or more products covered by a valid claim of an assigned patent or patent resulting from Cardiff ProTides' research, such as Acelarin, we will owe Cardiff ProTides up to approximately $4.5 million in development and approval milestone payments in the aggregate for the first such product. Additional development and approval milestones would be payable for the first additional product in a new nucleoside series covered by a valid claim of an assigned patent or a patent resulting from Cardiff ProTides' research, although the maximum potential value of such milestone payments is approximately half the value of the milestone payments associated with the first product. We will also owe Cardiff ProTides royalties equal to a percentage in mid- to high-single digits on sales of such products, subject to reduction under certain circumstances. Royalties on sales by sublicensees are set by formula, which formula would be likely to result in a royalty in the mid-single digits.

The ProTides Agreement expires, on a country by country basis, on the later of the expiration, invalidity, abandonment, lapsing or rejection of the last valid claim of an assigned patent or patent resulting from Cardiff ProTides' research, or, if certain technical information licensed from Cardiff ProTides remains confidential or the product is covered by a period of data exclusivity, ten years from the date of first commercial sale of a product in such country. The ProTides Agreement may be sooner terminated on an uncured material breach, bankruptcy of a

party or, by Cardiff ProTides, if we challenge, or assist in a challenge, of the validity or ownership of an assigned patent or patent resulting from Cardiff ProTides' research, or fail to pay amounts payable under the ProTides Agreement. It may also be sooner terminated where sums payable by us remain unpaid for 45 days after we receive a notice from Cardiff ProTides that the relevant sums are overdue. Upon a termination of the ProTides Agreement, our license rights will terminate except where the breach results from certain breaches by Cardiff ProTides, in which case our license rights continue on a non-exclusive basis, subject to reduced payment obligations. Upon termination of the ProTides Agreement, including as a result of our breach, we will be under an obligation to assign back to Cardiff ProTides the patents which Cardiff ProTides originally assigned to us.

Government Regulation and Product Approval

FDA Approval Process

In the United States, pharmaceutical products are subject to extensive regulation by the FDA. The Federal Food, Drug, and Cosmetic Act, or the FDC Act, and other federal and state statutes and regulations, govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, sampling, and import and export of pharmaceutical products. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as FDA refusal to approve pending new drug applications, or NDAs, warning letters, voluntary product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties and criminal prosecution.

Pharmaceutical product development in the United States typically involves the performance of nonclinical laboratory and animal tests, the submission to the FDA of an IND which must become effective before clinical testing may commence, and adequate, well-controlled clinical trials to establish the safety and effectiveness of the drug for each indication for which FDA approval is sought. Satisfaction of FDA pre-market approval requirements typically takes many years and the actual time required may vary substantially based upon the type, complexity, and novelty of the product or disease.

Preclinical tests include laboratory evaluation of product chemistry, formulation, and toxicity, as well as animal studies to assess the characteristics and potential safety and efficacy of the product. The conduct of the preclinical and other nonclinical tests must comply with certain federal regulations and requirements, including good laboratory practices. The results of preclinical testing are submitted to the FDA as part of an IND along with other information, including information about product chemistry, manufacturing and controls, and a proposed clinical trial protocol. Long term nonclinical tests, such as animal tests of reproductive toxicity and carcinogenicity, may continue after the IND is submitted.

A 30-day waiting period after the submission of each IND is required prior to the commencement of clinical testing in humans. If the FDA has neither commented on nor questioned the IND within this 30-day period, the clinical trial proposed in the IND may begin.

Clinical trials involve the administration of the investigational new drug to healthy volunteers or patients under the supervision of a qualified investigator. Clinical trials must be conducted: (i) in compliance with federal regulations, (ii) in compliance with good clinical practice, or GCP, an international standard meant to protect the rights and health of patients and to define the roles of clinical trial sponsors, administrators, and monitors, and (iii) under protocols detailing the objectives of the clinical trial, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated. Each protocol and subsequent protocol amendments must be submitted to the FDA as part of the IND.

The FDA may order the temporary, or permanent, discontinuation of a clinical trial at any time or impose other sanctions if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial patients. The clinical trial protocol and informed

consent information for patients in clinical trials must also be submitted to an institutional review board, or IRB, at each site where a clinical trial will be performed for approval. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements or it may impose other conditions.

Clinical trials to support NDAs for marketing approval are typically conducted in three sequential phases, but the phases may overlap. In Phase 1, the initial introduction of the drug into healthy human subjects or patients, the drug is tested to assess metabolism, pharmacokinetics, pharmacological actions, side effects associated with increasing doses, and, if possible, early evidence on effectiveness. Phase 2 usually involves clinical trials in a limited patient population to determine the effectiveness of the drug for a particular indication, dosage tolerance, and optimum dosage, and to identify common adverse effects and safety risks. If a compound demonstrates evidence of effectiveness and an acceptable safety profile in Phase 2 evaluations, Phase 3 clinical trials are undertaken to obtain the additional information about clinical efficacy and safety in a larger number of patients, typically at geographically dispersed clinical trial sites, to permit the FDA to evaluate the overall benefit-risk relationship of the drug and to provide adequate information for the labeling of the drug. In most cases, the FDA requires two adequate and well-controlled Phase 3 clinical trials to demonstrate the efficacy of the drug. A single Phase 3 clinical trial with other confirmatory evidence may be sufficient in rare instances where the clinical trial is a large multicenter trial demonstrating internal consistency and a statistically very persuasive finding of a clinically meaningful effect on mortality, irreversible morbidity, or prevention of a disease with potentially serious outcome, and confirmation of the result in a second clinical trial would be practically or ethically impossible.

After completion of the required clinical testing, a new drug application, or NDA, is prepared and submitted to the FDA. FDA approval of the NDA is required before marketing of the product may begin in the United States. The NDA must include the results of all nonclinical, clinical, and other testing and a compilation of data relating to the product's pharmacology, chemistry, manufacture, and controls. The cost of preparing and submitting an NDA is substantial. Under federal law, the submission of most NDAs is additionally subject to a substantial application user fee and the manufacturer or sponsor under an approved NDA is also subject to annual product and establishment user fees. These fees are typically increased annually.

The FDA has 60 days from its receipt of an NDA to determine whether the application will be accepted for filing based on the agency's threshold determination that it is sufficiently complete to permit substantive review. Once the submission is accepted for filing, the FDA begins an in-depth review. The FDA has agreed to certain performance goals in the review of NDAs. Most such applications for standard review drug products are reviewed within ten to twelve months, while most applications for priority review drugs are reviewed in six to eight months. Priority review can be applied to drugs that the FDA determines offer major advances in treatment, or provide a treatment where no adequate therapy exists. For biologics, priority review is further limited only for drugs intended to treat a serious or life-threatening disease relative to the currently approved products. The review process for both standard and priority review may be extended by FDA for three additional months to consider certain late-submitted information, or information intended to clarify information already provided in the submission.

The FDA may also refer applications for novel drug products, or drug products that present difficult questions of safety or efficacy, to an advisory committee, which is typically a panel that includes clinicians and other experts, for review, evaluation, and a recommendation as to whether the application should be approved. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations. Before approving an NDA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP. Additionally, the FDA will inspect the facility or the facilities at which the drug is manufactured. The FDA will not approve the product unless compliance with current good manufacturing practice requirements, or cGMP, is satisfactory and the NDA contains data that provide substantial evidence that the drug is safe and effective in the indication studied.

After the FDA evaluates the NDA and the manufacturing facilities, it issues either an approval letter or a complete response letter. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing, or information, in order for the FDA to reconsider the application. If, or when, those deficiencies have been addressed to the FDA's satisfaction in a resubmission of the NDA, the FDA will issue an approval letter. The FDA has committed to reviewing such resubmissions in two or six months depending on the type of information included.

An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications. As a condition of NDA approval, the FDA may require a risk evaluation and mitigation strategy, or REMS, to help ensure that the benefits of the drug outweigh the potential risks. REMS can include medication guides, communication plans for health care professionals, and elements to assure safe and effective use, or ETASU. ETASU can include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring, and the use of patient registries. The requirement for a REMS can materially affect the potential market and profitability of the drug. Moreover, product approval may require substantial post-approval testing and surveillance to monitor the drug's safety or efficacy. Once granted, product approvals may be withdrawn if compliance with regulatory requirements is not maintained or problems are identified following initial marketing or any time thereafter.

Disclosure of Clinical Trial Information

Sponsors of clinical trials of certain FDA-regulated products, including prescription drugs, are required to register and disclose certain clinical trial information on a public website maintained by the U.S. National Institutes of Health. Information related to the product, patient population, phase of investigation, clinical trial sites and investigator, and other aspects of the clinical trial is made public as part of the registration. Sponsors are also obligated to disclose the results of these clinical trials after completion if the product candidate is ultimately approved, and disclosure of the results of these clinical trials will be delayed until such approval. Competitors may use this publicly-available information to gain knowledge regarding the design and progress of our development programs.

The Hatch-Waxman Act

Orange Book Listing. In seeking approval for a drug through an NDA, applicants are required to list with the FDA each patent whose claims cover the applicant's product. Upon approval of a drug, each of the patents listed in the application for the drug is then published in the FDA's Approved Drug Products with Therapeutic Equivalence Evaluations, commonly known as the Orange Book. Drugs listed in the Orange Book can, in turn, be cited by potential generic competitors in support of approval of an abbreviated new drug application, or ANDA. An ANDA provides for marketing of a drug product that has the same active ingredients in the same strengths and dosage form as the listed drug and has been shown through bioequivalence testing to be therapeutically equivalent to the listed drug. Other than the requirement for bioequivalence testing, ANDA applicants are not required to conduct, or submit results of, nonclinical or clinical tests to prove the safety or effectiveness of their drug product. Drugs approved in this way are commonly referred to as "generic equivalents" to the listed drug, and can often be substituted by pharmacists under prescriptions written for the original listed drug.

The ANDA applicant is required to certify to the FDA concerning any patents listed for the approved product in the FDA's Orange Book. Specifically, the applicant must certify that: (i) the required patent information has not been filed; (ii) the listed patent has expired; (iii) the listed patent has not expired, but will expire on a particular date and approval is sought after patent expiration; or (iv) the listed patent is invalid or will not be infringed by the new product. The ANDA applicant may also elect to submit a section viii statement, certifying that its proposed ANDA label does not contain or carve out any language regarding the patented method-of-use, rather than certify to a listed method-of-use patent.

If the applicant does not challenge the listed patents, the ANDA application will not be approved until all the listed patents claiming the referenced product have expired. A certification that the new product will not

infringe the already approved product's listed patents, or that such patents are invalid, is called a Paragraph IV certification. If the ANDA applicant has provided a Paragraph IV certification to the FDA, the applicant must also send notice of the Paragraph IV certification to the NDA and patent holders once the ANDA has been accepted for filing by the FDA. The NDA and patent holders may then initiate a patent infringement lawsuit in response to the notice of the Paragraph IV certification. The filing of a patent infringement lawsuit within 45 days of the receipt of a Paragraph IV certification automatically prevents the FDA from approving the ANDA until the earlier of 30 months, expiration of the patent, settlement of the lawsuit, or a decision in the infringement case that is favorable to the ANDA applicant.

The ANDA application also will not be approved until any applicable non-patent exclusivity listed in the Orange Book for the referenced product has expired.

Exclusivity. Upon NDA approval of a new chemical entity, or NCE, which is a drug that contains no active moiety that has been approved by the FDA in any other NDA, that drug receives five years of marketing exclusivity during which time the FDA cannot receive any ANDA seeking approval of a generic version of that drug. Certain changes to a drug, such as the addition of a new indication to the package insert, are associated with a three-year period of exclusivity during which the FDA cannot approval an ANDA for a generic drug that includes the change.

An ANDA may be submitted one year before NCE exclusivity expires if a Paragraph IV certification is filed. If there is no listed patent in the Orange Book, there may not be a Paragraph IV certification, and, thus, no ANDA may be filed before the expiration of the exclusivity period.

Patent Term Extension. After NDA approval, owners of relevant drug patents may apply for up to a five-year patent term extension. The allowable patent term extension is calculated as half of the drug's testing phase—the time between IND submission and NDA submission—and all of the review phase—the time between NDA submission and approval up to a maximum of five years. The time can be shortened if FDA determines that the applicant did not pursue approval with due diligence. The total patent term after the extension may not exceed 14 years.

For patents that might expire during the application phase, the patent owner may request an interim patent extension. An interim patent extension increases the patent term by one year and may be renewed up to four times. For each interim patent extension granted, the post-approval patent extension is reduced by one year. The director of the PTO must determine that approval of the drug covered by the patent for which a patent extension is being sought is likely. Interim patent extensions are not available for a drug for which an NDA has not been submitted.

Advertising and Promotion

Once an NDA is approved, a product will be subject to certain post-approval requirements. For instance, FDA closely regulates the post-approval marketing and promotion of drugs, including standards and regulations for direct-to-consumer advertising, off-label promotion, industry-sponsored scientific and educational activities and promotional activities involving the internet. Drugs may be marketed only for the approved indications and in accordance with the provisions of the approved labeling. Changes to some of the conditions established in an approved application, including changes in indications, labeling, or certain manufacturing processes or facilities, require submission and FDA approval of a new NDA or NDA supplement before the change can be implemented. An NDA supplement for a new indication typically requires clinical data similar to that in the original application, and the FDA uses the same procedures and actions in reviewing NDA supplements as it does in reviewing NDAs.

Adverse Event Reporting and cGMP Compliance

Adverse event reporting and submission of periodic reports is required following FDA approval of an NDA. The FDA also may require post-marketing testing, sometimes called Phase 4 testing, REMS, and surveillance to monitor the effects of an approved product, or the FDA may place conditions on an approval that could restrict the distribution or use of the product. In addition, quality-control, drug manufacture, packaging, and labeling procedures, among other things, must continue to conform to cGMP after approval. Drug manufacturers and certain of their subcontractors are required to register their establishments with FDA and certain state agencies. Registration with the FDA subjects entities to periodic unannounced inspections by the FDA, during which the agency inspects manufacturing facilities to assess compliance with cGMP. Accordingly, manufacturers must continue to expend time, money and effort in the areas of production, quality control and record keeping to maintain compliance with cGMP. Regulatory authorities may impose a range of enforcement actions, including bringing a seizure and injunction in court, withdraw product approvals or request a product recall if a company fails to comply with cGMP requirements.

Pediatric Information

Under the Pediatric Research Equity Act, or PREA, NDAs or supplements to NDAs must contain data to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the drug is safe and effective. The sponsor must submit an initial Pediatric Study Plan, or PSP, within 60 days of an end-of-Phase 2 meeting or as may be agreed between the sponsor and the FDA. The initial PSP must include an outline of the pediatric study or studies that the sponsor plans to conduct, including study objectives and design, age groups, relevant endpoints and statistical approach, or a justification for not including such detailed information, and any request for a deferral of pediatric assessments or a full or partial waiver of the requirement to provide data from pediatric studies along with supporting information. The FDA and the sponsor must reach agreement on the PSP. A sponsor can submit amendments to an agreed-upon initial PSP at any time if changes to the pediatric plan need to be considered based on data collected from nonclinical studies, early phase clinical trials or other clinical development programs. The FDA may grant full or partial waivers, or deferrals, for submission of data.

The Best Pharmaceuticals for Children Act, or BPCA, provides NDA holders a six-month extension of any exclusivity—patent or non-patent—for a drug if certain conditions are met, including satisfaction of a pediatric trial as described above. Conditions for exclusivity include the FDA's determination that information relating to the use of a new drug in the pediatric population may produce health benefits in that population, the FDA making a written request for pediatric clinical trials, and the applicant agreeing to perform, and reporting on, the requested clinical trials within the statutory timeframe. Applications under the BPCA are treated as priority applications, with all of the benefits that designation confers.

Special Protocol Assessment

A company may reach an agreement with FDA under the Special Protocol Assessment, or SPA, process as to the required design and size of clinical trials intended to form the primary basis of an efficacy claim. Under the FDC Act and FDA guidance implementing the statutory requirement, an SPA is generally binding upon the FDA except in limited circumstances, such as if the FDA identifies a substantial scientific issue essential to determining safety or efficacy after the clinical trial begins, public health concerns emerge that were unrecognized at the time of the protocol assessment, the sponsor and FDA agree to the change in writing, or if the clinical trial sponsor fails to follow the protocol that was agreed upon with the FDA.

Expedited Review and Approval

The FDA has various programs, including Fast Track, priority review, accelerated approval and breakthrough designation which are intended to expedite or simplify the process for reviewing drugs or provide for approval on the basis of surrogate endpoints. Even if a drug qualifies for one or more of these programs, the

FDA may later decide that the drug no longer meets the conditions for qualification or that the time period for FDA review or approval will not be shortened. Generally, drugs that may be eligible for these programs are those for serious or life-threatening conditions, those with the potential to address unmet medical needs, or those that offer meaningful benefits over existing treatments. For example, Fast Track is a process designed to facilitate the development, and expedite the review, of drugs to treat serious diseases and fill an unmet medical need. The request may be made at the time of IND submission and generally no later than the pre-NDA meeting. The FDA will respond within 60 calendar days of receipt of the request. Priority review, which is requested at the time of NDA submission, is designed to give drugs that offer major advances in treatment or provide a treatment where no adequate therapy exists an initial review within six months as compared to a standard review time of ten months. Although Fast Track and priority review do not affect the standards for approval, the FDA will attempt to facilitate early and frequent meetings with a sponsor of a Fast Track designated drug and expedite review of the application for a drug designated for priority review. Accelerated approval provides an earlier approval of drugs to treat serious diseases, and that fill an unmet medical need based on a surrogate endpoint, which is a laboratory measurement or physical sign used as an indirect or substitute measurement representing a clinically meaningful outcome. Discussions with the FDA about the feasibility of an accelerated approval typically begin early in the development of the drug in order to identify, among other things, an appropriate endpoint. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform post-marketing clinical trials to confirm the appropriateness of the surrogate marker clinical trial.

Another expedited program is that for Breakthrough Therapy. A Breakthrough Therapy designation is designed to expedite the development and review of drugs that are intended to treat a serious condition where preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over available therapy on a clinically significant endpoint(s). A sponsor may request Breakthrough Therapy designation at the time that the IND is submitted, or no later than at the end-of-Phase 2 meeting. The FDA will respond to a Breakthrough Therapy designation request within 60 days of receipt of the request. A drug that receives Breakthrough Therapy designation is eligible for all fast track designation features, intensive guidance on an efficient drug development program, beginning as early as Phase 1 and commitment from the FDA involving senior managers.

Regulation of Companion Diagnostic Devices

If we decide that a diagnostic test would provide useful information for patient selection or if the FDA requires us to develop such a test, we may work with a collaborator to develop an *in vitro* diagnostic, or companion test. The FDA regulates *in vitro* diagnostic tests as medical devices, and the type of regulation to which such a test will be subjected will depend in part on a risk assessment by the FDA as well as a determination of whether the test is intended to yield results that would be helpful to know versus one that the FDA or we believe is necessary to know for the safe and effective use of our drugs under development.

The FDA issued Guidance on In-Vitro Companion Diagnostic Devices in August 2014, which is intended to assist companies developing *in vitro* companion diagnostic devices and companies developing therapeutic products that depend on the use of a specific *in vitro* companion diagnostic for the safe and effective use of the product. The FDA defined an *in vitro* companion diagnostic device, or IVD companion diagnostic device, as a device that provides information that is essential for the safe and effective use of a corresponding therapeutic product. The use of an IVD companion diagnostic device with a therapeutic product will be stipulated in the instructions for use in the labeling of both the diagnostic device and the corresponding therapeutic product, including the labeling of any generic equivalents of the therapeutic product. The FDA expects that the therapeutic sponsor will address the need for an approved or cleared IVD companion diagnostic device in its therapeutic product development plan and that, in most cases, the therapeutic product and its corresponding companion diagnostic will be developed contemporaneously.

Europe/Rest of World Government Regulation

In addition to regulations in the United States, we are and will be subject, either directly or through our distribution partners, to a variety of regulations in other jurisdictions governing, among other things, clinical trials and commercial sales and distribution of our products, if approved.

Whether or not we obtain FDA approval for a product, we must obtain the requisite approvals from regulatory authorities in non-U.S. countries prior to the commencement of clinical trials or marketing of the product in those countries. Certain countries outside of the United States have a process that requires the submission of a clinical trial application much like an IND prior to the commencement of human clinical trials. In Europe, for example, a clinical trial authorization, or CTA, must be submitted to the competent national health authority and to independent ethics committees in each country in which a company plans to conduct clinical trials. Once the CTA is approved in accordance with a country's requirements, clinical trials may proceed in that country.

The requirements and process governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country, even though there is already some degree of legal harmonization in the E.U. member states resulting from the national implementation of underlying E.U. legislation. In all cases, the clinical trials are conducted in accordance with GCP and other applicable regulatory requirements.

To obtain regulatory approval of a new drug, or medicinal product, in the European Union a sponsor must obtain approval of a marketing authorization application, or MAA. The way in which a medicinal product can be approved in the European Union depends on the nature of the medicinal product.

The centralized procedure results in a single MAA granted by the European Commission that is valid across the European Union, as well as in Iceland, Liechtenstein and Norway. The centralized procedure is compulsory for human drugs that are: (i) derived from biotechnology processes, such as genetic engineering, (ii) contain a new active substance indicated for the treatment of certain diseases, such as HIV/AIDS, cancer, diabetes, neurodegenerative diseases, autoimmune and other immune dysfunctions and viral diseases, (iii) officially designated "orphan drugs" (drugs used for rare human diseases) and (iv) advanced-therapy medicines, such as gene-therapy, somatic cell-therapy or tissue-engineered medicines. The centralized procedure may at the request of the applicant also be used for human drugs which do not fall within the above mentioned categories if the human drug (a) contains a new active substance which, on the date of entry into force of this Regulation, was not authorized in the Community; or (b) the applicant shows that the medicinal product constitutes a significant therapeutic, scientific or technical innovation or that the granting of authorization in the centralized procedure is in the interests of patients or animal health at European Community level.

Under the centralized procedure in the European Union, the maximum timeframe for the evaluation of a MAA by the EMA is 210 days (excluding clock stops, when additional written or oral information is to be provided by the applicant in response to questions asked by the Committee for Medicinal Products for Human Use, or CHMP), with adoption of the actual marketing authorization by the European Commission thereafter. Accelerated evaluation might be granted by the CHMP in exceptional cases, when a medicinal product is expected to be of a major public health interest from the point of view of therapeutic innovation, defined by three cumulative criteria: the seriousness of the disease to be treated; the absence of an appropriate alternative therapeutic approach, and anticipation of exceptional high therapeutic benefit. In this circumstance, EMA ensures that the evaluation for the opinion of the CHMP is completed within 150 days and the opinion issued thereafter.

The mutual recognition procedure, or MRP, for the approval of human drugs is an alternative approach to facilitate individual national marketing authorizations within the European Union. Basically, the MRP may be applied for all human drugs for which the centralized procedure is not obligatory. The MRP is applicable to the majority of conventional medicinal products, and is based on the principle of recognition of an already existing national marketing authorization by one or more member states.

The characteristic of the MRP is that the procedure builds on an already existing marketing authorization in a member state of the European Union that is used as reference in order to obtain marketing authorizations in other E.U. member states. In the MRP, a marketing authorization for a drug already exists in one or more E.U. member states and subsequently marketing authorization applications are made in other E.U. member states by referring to the initial marketing authorization. The member state in which the marketing authorization was first granted will then act as the reference member state. The member states where the marketing authorization is subsequently applied for act as concerned member states.

The MRP is based on the principle of the mutual recognition by E.U. member states of their respective national marketing authorizations. Based on a marketing authorization in the reference member state, the applicant may apply for marketing authorizations in other member states. In such case, the reference member state shall update its existing assessment report about the drug in 90 days. After the assessment is completed, copies of the report are sent to all member states, together with the approved summary of product characteristics, labeling and package leaflet. The concerned member states then have 90 days to recognize the decision of the reference member state and the summary of product characteristics, labeling and package leaflet. National marketing authorizations shall be granted within 30 days after acknowledgement of the agreement.

Should any Member State refuse to recognize the marketing authorization by the reference member state, on the grounds of potential serious risk to public health, the issue will be referred to a coordination group. Within a timeframe of 60 days, member states shall, within the coordination group, make all efforts to reach a consensus. If this fails, the procedure is submitted to an EMA scientific committee for arbitration. The opinion of this EMA Committee is then forwarded to the Commission, for the start of the decision making process. As in the centralized procedure, this process entails consulting various European Commission Directorates General and the Standing Committee on Human Medicinal Products or Veterinary Medicinal Products, as appropriate.

For other countries outside of the European Union, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, again, the clinical trials are conducted in accordance with GCP and the other applicable regulatory requirements.

If we fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension of clinical trials, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

Healthcare Reform

There have been and continue to be legislative and regulatory changes to the healthcare system in the United States that could affect our future results of operations. The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, collectively referred to as the ACA, includes measures that have significantly changed health care financing by both governmental and private insurers. The provisions of the ACA of importance to the pharmaceutical and biotechnology industry are, among others, the following:

- an annual, nondeductible fee on any entity that manufactures or imports certain branded prescription drugs agents and biologic agents, which is apportioned among these entities according to their market share in certain government healthcare programs;
- an increase in the rebates a manufacturer must pay under the Medicaid Drug Rebate Program to 23.1% and 13% of the average manufacturer price for branded and generic drugs, respectively;
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts to negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer’s outpatient drugs to be covered under Medicare Part D;

- extension of manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations, unless the drug is subject to discounts under the 340B drug discount program;
- a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;
- expansion of eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to additional individuals and by adding new mandatory eligibility categories for certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing manufacturers' Medicaid rebate liability;
- expansion of the entities eligible for discounts under the Public Health Service pharmaceutical pricing program;
- new requirements under the federal Physician Payments Sunshine Act for drug manufacturers to report information related to payments and other transfers of value made to physicians and teaching hospitals as well as ownership or investment interests held by physicians and their immediate family members;
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research;
- creation of the Independent Payment Advisory Board, which, if and when impaneled, will have authority to recommend certain changes to the Medicare program that could result in reduced payments for prescription drugs; and
- establishment of a Center for Medicare and Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending.

There have been judicial and Congressional challenges to certain aspects of the ACA, and we expect the current administration and Congress will likely continue to seek legislative and regulatory changes, including repeal and replacement of certain provisions of the ACA. In January 2017, President Trump signed an Executive Order directing federal agencies with authorities and responsibilities under the ACA to waive, defer, grant exemptions from, or delay the implementation of any provision of the ACA that would impose a fiscal or regulatory burden on states, individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or medical devices. The U.S. House of Representatives passed legislation known as the American Health Care Act of 2017 in May 2017. More recently, the Senate Republicans introduced and then updated a bill to replace the ACA known as the Better Care Reconciliation Act of 2017. The Senate Republicans also introduced legislation to repeal the ACA without companion legislation to replace it, and a "skinny" version of the Better Care Reconciliation Act of 2017. Each of these measures was rejected by the full Senate. Congress will likely consider other legislation to replace elements of the ACA. It is uncertain whether the American Health Care Act or similar legislation will become law or how any future healthcare reform legislation will impact our business.

In addition, other federal health reform measures have been proposed and adopted in the United States since the ACA was enacted. For example, as a result of the Budget Control Act of 2011, providers are subject to Medicare payment reductions of 2% per fiscal year through 2025 unless additional Congressional action is taken. Further, the American Taxpayer Relief Act of 2012 reduced Medicare payments to several providers and increased the statute of limitations period for the government to recover overpayments from providers from three to five years. Further, there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which have resulted in several recent Congressional inquiries and proposed federal and state legislation designed to, among other things, bring more transparency to product pricing, contain the cost of drugs, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products.

Moreover, payment methodologies may be subject to changes in healthcare legislation and regulatory initiatives. For example, CMS may develop new payment and delivery models, such as bundled payment models. The U.S. Department of Health and Human Services, or HHS, set a goal of moving 30% of Medicare payments to alternative payment models tied to the quality or value of services by 2016 and 50% of Medicare payments into these alternative payment models by the end of 2018. In March 2017, HHS announced that it has achieved its goal for 2016. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products. We expect that additional U.S. federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that the U.S. federal government will pay for healthcare products and services, which could result in reduced demand for our product candidates or additional pricing pressures.

Individual states in the United States have also become increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. Legally mandated price controls on payment amounts by third-party payors or other restrictions could compromise our ability to profitably commercialize any of our product candidates, if approved. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for our products or put pressure on our product pricing, which could negatively affect our business, results of operations, financial condition and prospects.

In the European Union, similar political, economic and regulatory developments may affect our ability to profitably commercialize any of our product candidates, if approved. In addition to continuing pressure on prices and cost containment measures, legislative developments at the European Union or member state level may result in significant additional requirements or obstacles that may increase our operating costs. The delivery of healthcare in the European Union, including the establishment and operation of health services and the pricing and reimbursement of medicines, is almost exclusively a matter for national, rather than European Union, law and policy. National governments and health service providers have different priorities and approaches to the delivery of health care and the pricing and reimbursement of products in that context. In general, however, the healthcare budgetary constraints in most EU member states have resulted in restrictions on the pricing and reimbursement of medicines by relevant health service providers. Coupled with increasing European Union and national regulatory burdens on those wishing to develop and market products, this could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to commercialize any products for which we obtain marketing approval. In international markets, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies.

Other Healthcare Laws

Physicians, other healthcare providers, and third-party payors will play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Although we currently do not have any products on the market, our current and future business operations are and will be subject to various U.S. federal and state and other foreign fraud and abuse laws and other healthcare laws and regulations. These laws and regulations may impact, among other things, our arrangements with third-party payors, healthcare professionals who participate in our clinical research programs, healthcare professionals and others who purchase, recommend or prescribe our approved products, and our proposed sales, marketing, distribution, and education programs. The U.S. federal and state healthcare laws and regulations that may affect our ability to operate include:

- the federal Anti-Kickback Statute, which prohibits persons from, among other things, knowingly and willfully soliciting, receiving, offering or paying anything of value, directly or indirectly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under federally funded healthcare programs, such as Medicare and Medicaid;

- the federal civil and criminal false claims laws, including, without limitation, the federal civil monetary penalties law and the civil False Claims Act (which can be enforced by private citizens through *qui tam* actions), prohibit individuals or entities from, among other things, knowingly presenting, or causing to be presented, false or fraudulent claims for payment of federal funds, and knowingly making, or causing to be made, a false record or statement material to a false or fraudulent claim to avoid, decrease or conceal an obligation to pay money to the federal government;
- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which imposes criminal liability for executing or attempting to execute a scheme to defraud any healthcare benefit program and creates federal criminal laws that prohibit knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement in connection with the delivery of or payment for healthcare benefits, items or services;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and its implementing regulations, which imposes certain obligations, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information without the appropriate authorization by entities subject to the law, such as healthcare providers, health plans, and healthcare clearinghouses and their respective business associates that perform certain functions or activities that involve the use or disclosure of protected health information on their behalf;
- the federal transparency requirements under the Physician Payments Sunshine Act, created under the ACA, which requires certain manufacturers of drugs, devices, biologics and medical supplies reimbursed under Medicare, Medicaid, or CHIP to report to HHS information related to payments and other transfers of value provided to physicians and teaching hospitals and physician ownership and investment interests; and
- analogous state laws and regulations, such as state anti-kickback and false claims laws, that impose similar restrictions and may apply to items or services reimbursed by non-governmental third-party payors, including private insurers; state laws that require pharmaceutical companies to implement compliance programs, comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government, or to track and report gifts, compensation and other remuneration provided to physicians and other health care providers; and state health information privacy and data breach notification laws, which govern the collection, use, disclosure, and protection of health-related and other personal information, many of which differ from each other in significant ways and often are not pre-empted by HIPAA, thus complicating compliance efforts.

We will be required to spend substantial time and money to ensure that our business arrangements with third parties comply with applicable healthcare laws and regulations. In the United States, healthcare reform legislation has strengthened these federal and state healthcare laws. For example, the ACA amends the intent requirement of the federal Anti-Kickback Statute and criminal healthcare fraud statutes to clarify that liability under these statutes does not require a person or entity to have actual knowledge of the statutes or a specific intent to violate them. Moreover, the ACA provides that the government may assert that a claim that includes items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act. Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws.

Violations of these laws can subject us to criminal, civil and administrative sanctions including monetary penalties, damages, fines, disgorgement, individual imprisonment, and exclusion from participation in government funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, reputational harm, and we may be required to curtail or restructure our operations. Moreover, we expect that there will continue to be federal and state laws and regulations, proposed and implemented, that could impact our future operations and business.

Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any products for which we may obtain regulatory approval. Sales of any of our product candidates, if approved, will depend, in part, on the extent to which the costs of the products will be covered by third-party payors, including government healthcare programs such as Medicare and Medicaid, and private payors, such as commercial health insurers and managed care organizations. Third-party payors determine which drugs they will cover and the amount of reimbursement they will provide for a covered drug. In the United States, there is no uniform system among payors for making coverage and reimbursement decisions. In addition, the process for determining whether a payor will provide coverage for a product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the product once coverage is approved. Third-party payors may limit coverage to specific products on an approved list, or formulary, which might not include all of the FDA-approved products for a particular indication.

In order to secure coverage and reimbursement for our products, if approved for sale, we may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costly studies required to obtain FDA or other comparable regulatory approvals. Even if we conduct pharmacoeconomic studies, our product candidates may not be considered medically necessary or cost-effective by payors. Further, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved.

The containment of healthcare costs has become a priority of federal, state and foreign governments, and the prices of drugs have been a focus in this effort. The U.S. government, state legislatures, and foreign governments have shown significant interest in implementing cost-containment programs to limit the growth of government-paid healthcare costs, including price controls, restrictions on reimbursement, and requirements for substitution of generic products for branded prescription drugs. For example, in the United States, the ACA contains provisions that may reduce the profitability of products, including, for example, increased rebates for products sold to Medicaid programs, extension of Medicaid rebates to Medicaid managed care plans, mandatory discounts for certain Medicare Part D beneficiaries and annual fees based on pharmaceutical companies' share of sales to federal health care programs. CMS may develop new payment and delivery models, such as bundled payment models. For example, HHS set a goal of moving 30% of Medicare payments to alternative payment models tied to the quality or value of services by 2016 and 50% of Medicare payments into these alternative payment models by the end of 2018. Adoption of government controls and measures, and tightening of restrictive policies in jurisdictions with existing controls and measures, could limit payments for our products.

The marketability of any products for which we receive regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement. The focus on cost containment measures in the United States has increased and we expect will continue to increase the pressure on pharmaceutical pricing. Coverage policies and third-party reimbursement rates may change at any time. Even if we attain favorable coverage and reimbursement status for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Employees

As of September 18, 2017, we had 16 full-time employees. We have never had a work stoppage and none of our employees are covered by collective bargaining agreements or represented by a labor union. We believe our employee relations are good.

Facilities

Our corporate headquarters and most of our operations, are located at 10 Lochside Place, Edinburgh, EH12 9RG, United Kingdom. The lease for this space expires September 30, 2017 and we have entered into a lease for a new corporate headquarters to be located at 3 Lochside Way, Edinburgh, EH12 9DT, United Kingdom, which has a total leasable area of 5,632 square feet. We believe that our office facilities in the United Kingdom are sufficient to meet our current needs.

Legal Proceedings

From time to time, we may be party to litigation that arises in the ordinary course of our business. We do not have any pending litigation that, separately or in the aggregate, would, in the opinion of management, have a material adverse effect on our results of operations, financial condition or cash flows.

MANAGEMENT

The following table sets forth the names, ages and positions of our executive officers and directors:

Name	Age	Position
Executive Officers		
Hugh Griffith	49	Chief Executive Officer and Director
Christopher Wood	71	Chairman and Chief Medical Officer
Donald Munoz	48	Chief Financial Officer
Non-Executive Directors		
Isaac Cheng	42	Non-Executive Director
James Healy	52	Non-Executive Director
Martin Mellish	60	Non-Executive Director
Rafaèle Tordjman	48	Non-Executive Director

Executive Officers

Hugh Griffith is our co-founder and has served as our Chief Executive Officer and as a member of our board of directors since our operations began in March 2008. In addition, he currently serves as a non-executive director of EdixoMed Limited and MedAnnex Limited, biotech companies which he co-founded in 2009. He also serves as director of Alida Capital International, a biotech business angel syndicate that he formed in 2009. Prior to founding NuCana, Mr. Griffith was Chief Operating Officer of Bioenvision, Inc., a biopharmaceutical company, from July 2004 until December 2007, when it was acquired by Genzyme Corporation (now Sanofi). He previously served as Commercial Director of Bioenvision, Inc. from September 2002 to June 2004. Before that, Mr. Griffith held several senior commercial positions at Quantanova Limited, a biopharmaceutical company, from January 2002 to July 2002, Abbott Laboratories (now AbbVie Inc.) from October 1995 to December 2001 and Warner-Lambert Company (now Pfizer Inc.) from April 1992 to October 1995. He currently serves on the advisory board of the Scottish Lifesciences Association. Mr. Griffith received an M.B.A. from Cardiff Business School and a B.Sc. Honours in Biology from the University of Stirling. We believe that Mr. Griffith possesses specific attributes that qualify him to serve as a member of our board of directors, including the perspective and experience he brings as our Chief Executive Officer, which provides historic knowledge of our company, operational expertise and continuity to our board of directors, and his significant experience in the biopharmaceutical industry in positions including chief executive officer, chief operating officer and executive director.

Christopher Wood is our co-founder and has served as a member of our board of directors since our founding, as our Chairman since 2008 and as our Chief Medical Officer since July 2017. Dr. Wood also currently serves as chairman of several biopharmaceutical or biotechnology companies including: Edixomed Limited, MedAnnex Limited and OncoBioPharm Limited. In addition, he is a director of MiNA Therapeutics Limited, a biotechnology company. Prior to joining our board of directors, Dr. Wood was a co-founder of Bioenvision, Inc., a biopharmaceutical company, and served as its Chairman and Chief Executive Officer from 2000 until 2007, when it was acquired by Genzyme Corporation (now Sanofi). From 1995 through 1999, Dr. Wood was chairman of the board and Chief Executive of Eurobiotech, Inc. From 1989 through 1990, Dr. Wood was co-founder and director of Genethics Ltd until it was acquired by Proteus International plc. Dr. Wood co-founded and served as chairman from 1986 to 1992 of Medirace Ltd., a biotechnology company, which later became Medeva PLC and was acquired by Celltech Group PLC (now UCB). From 1979 to 1991, Dr. Wood was a surgical oncologist at The Royal Postgraduate Medical School and a consultant surgeon at Hammersmith Hospital, both in London, England. Dr. Wood is an honorary Professor at Imperial College London, a Fellow of the Royal College of Surgeons of Edinburgh and a Fellow of the Learned Society of Wales. Dr. Wood received an M.D. from the University of Wales School of Medicine. We believe that Dr. Wood possesses specific attributes that qualify him to serve as a member of our board of directors, including his extensive experience in the biotechnology sector and his having founded and managed four companies, including our company.

Donald Munoz has served as our Chief Financial Officer since October 2015. Prior to joining NuCana, Mr. Munoz served as Group Chief Financial Officer of NOXXON Pharma AG (now NOXXON Pharma N.V.), a biopharmaceutical company, from September 2014 to September 2015. Before that, he was Head of Investment Banking at Summer Street Research Partners, an investment banking and institutional securities firm focused exclusively on healthcare, from August 2012 to September 2014. Mr. Munoz previously served as a Managing Director leading the medical technology investment banking franchises at Cowen and Company, LLC from 2009 to 2011 and Leerink Partners LLC from 2005 to 2009. Prior to that, he spent approximately ten years in the healthcare investment banking group at Alex. Brown & Sons and its successor, Deutsche Bank Securities. Mr. Munoz received an M.B.A. in Finance and Accounting from Columbia Business School and a B.A. from Dartmouth College.

Non-Executive Directors

Rafaèle Tordjman has served as a member of our board of directors since November 2011. From February 2017 to August 2017, Dr. Tordjman was a Special Advisor at Sofinnova Partners, an independent venture capital firm based in Paris, where she specialized in life sciences investments. She joined Sofinnova Partners in 2001 and served as a Managing Partner from January 2011 to February 2017. Dr. Tordjman currently serves as a director of ObsEva SA, a Nasdaq-listed biopharmaceutical company, and Lysogene, a Euronext-listed biotechnology company, and has previously served as a director of several biopharmaceutical or biotechnology companies, including: Ascendis Pharma A/S, DBV Technologies S.A., Medtronic CoreValve LLC and Flexion Therapeutics, Inc. Previously, Dr. Tordjman was a research scientist at the Institut National de la Santé et de la Recherche Médicale (INSERM) in Cochin Hospital, Paris, France. Before joining INSERM, Dr. Tordjman was a medical doctor specializing in clinical hematology and internal medicine. Dr. Tordjman received a Ph.D. with high honors in hematopoiesis and angiogenesis, and a post-doctoral fellowship in immunology, from the University Paris VII. Dr. Tordjman received an M.D. and fellowship in hematology and internal medicine from the Paris University Hospitals. We believe that Dr. Tordjman possesses specific attributes that qualify her to serve as a member of our board of directors, including her medical background, clinical and research experience, and industry knowledge.

James Healy has served as a member of our board of directors since March 2014. Dr. Healy has also been a General Partner of Sofinnova Ventures since 2000, and currently serves as a director of Ascendis Pharma A/S, Coherus BioSciences, Inc., Edge Therapeutics, Inc., Natera, Inc., ObsEva SA and several private companies. Dr. Healy has previously served as a board member of Amarin Corporation, Auris Medical Holding AG, Hyperion Therapeutics, Inc., InterMune, Inc., Anthera Pharmaceuticals, Inc., Durata Therapeutics, Inc., CoTherix, Inc., Movetis NV and several private companies. Prior to 2000, Dr. Healy held various positions at Sanderling Ventures, Bayer Healthcare Pharmaceuticals (as successor to Miles Laboratories) and ISTA Pharmaceuticals, Inc. Dr. Healy also currently serves on the board of directors of the U.S. National Venture Capital Association and the Biotechnology Industry Organization. Dr. Healy holds an M.D. and a Ph.D. in Immunology from Stanford University School of Medicine and a B.A. in Molecular Biology and Scandinavian Studies from the University of California, Berkeley. We believe that Dr. Healy possesses specific attributes that qualify him to serve as a member of our board of directors, including extensive experience in biomedical research, development and finance.

Isaac Cheng has served as a member of our board of directors since May 2017. Dr. Cheng is currently an investment advisor at Morningside Technology Advisory LLC, a venture capital firm, which he joined in 2006, and is also a director of Cognoa, Inc., a digital health company, and several biopharmaceutical or biotechnology companies, including: Liquidia Technologies, Inc., Artugen Therapeutics Limited, Amylyx Pharmaceuticals, Inc. and K-Gen, Inc. Previously, he was a board member of Advanced Cell Diagnostics, Inc., a biotechnology company, and a board observer of both Chimerix, Inc., a biotechnology company, and Argos Therapeutics, Inc , a biotechnology company. From 2004 to 2005, Dr. Cheng was Director of Research and Development at Serica Technologies, Inc., a Morningside portfolio company. Prior to that, Dr. Cheng was an Associate Director at

Novartis Pharmaceuticals Corporation in Clinical Development and Medical Affairs. Dr. Cheng received his M.D. from Tufts University School of Medicine. We believe that Dr. Cheng possesses specific attributes that qualify him to serve as a member of our board of directors, including his medical background, clinical and research experience and industry knowledge.

Martin Mellish has served as a member of our board of directors since December 2009. Since 1994, Mr. Mellish has served as the Executive Director of Aspen Advisory Services Ltd., a London-based private investment office overseeing private and publicly traded investments in North America, Europe and Asia. Mr. Mellish also currently serves as a non-executive director of Kensington Green (Management) Limited, a real estate management company, Levitronix Technologies LLC, a technology company, Alturki Holding, an industrial investment and development holding company, Livercyte Limited, a biotechnology company, and Omnicyte Limited, a biotechnology company. From 1992 to 1994, Mr. Mellish pursued studies at the Massachusetts Institute of Technology. From 1984 to 1992, he was controller and subsequently Chief Financial Officer of Alturki Holding. Prior to that, Mr. Mellish trained at Price Waterhouse Coopers. He was awarded an SM (Management) from the Massachusetts Institute of Technology and an M.Sc. (Accounting) from Northeastern University. We believe that Mr. Mellish possesses specific attributes that qualify him to serve as a member of our board of directors, including his significant experience in accounting and finance.

Foreign Private Issuer Exemption

As a "foreign private issuer," as defined by the SEC, although we are permitted to follow certain corporate governance practices of England and Wales, instead of those otherwise required under The Nasdaq Stock Market, or Nasdaq, for domestic issuers, we intend to follow the Nasdaq corporate governance rules applicable to foreign private issuers. While we voluntarily follow most Nasdaq corporate governance rules, we intend to take advantage of the following limited exemptions:

- Exemption from filing quarterly reports on Form 10-Q or provide current reports on Form 8-K disclosing significant events within four days of their occurrence.
- Exemption from Section 16 rules regarding sales of ordinary shares by insiders, which will provide less data in this regard than shareholders of U.S. companies that are subject to the Exchange Act.
- Exemption from the Nasdaq rules applicable to domestic issuers requiring disclosure within four business days of any determination to grant a waiver of the code of business conduct and ethics to directors and officers. Although we will require board approval of any such waiver, we may choose not to disclose the waiver in the manner set forth in the Nasdaq rules, as permitted by the foreign private issuer exemption.
- Exemption from the requirements that director nominees are selected, or recommended for selection by our board of directors, either by (1) independent directors constituting a majority of our board of directors' independent directors in a vote in which only independent directors participate, or (2) a committee comprised solely of independent directors, and that a formal written charter or board resolution, as applicable, addressing the nominations process is adopted.

Furthermore, Nasdaq Rule 5615(a)(3) provides that a foreign private issuer, such as us, may rely on home country corporate governance practices in lieu of certain of the rules in the Nasdaq Rule 5600 Series and Rule 5250(d), provided that we nevertheless comply with Nasdaq's Notification of Noncompliance requirement (Rule 5625), the Voting Rights requirement (Rule 5640) and that we have an audit committee that satisfies Rule 5605(c)(3), consisting of committee members that meet the independence requirements of Rule 5605(c)(2)(A)(ii). Although we are permitted to follow certain corporate governance rules that conform to U.K. requirements in lieu of many of the Nasdaq corporate governance rules, we intend to comply with the Nasdaq corporate governance rules applicable to foreign private issuers as set forth in the prior sentence. Accordingly, our shareholders will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of Nasdaq. We may utilize these exemptions for as long as we continue to qualify as a foreign private issuer.

Board Composition and Director Independence

Our business affairs are managed under the direction of our board of directors, which is currently composed of six members. Under the rules and regulations of Nasdaq a director will qualify as "independent" if our board of directors affirmatively determines that he or she has no material relationship with us (either directly or as a partner, stockholder or officer of an organization that has a relationship with us). Our board of directors will establish guidelines to assist it in determining whether a director has such a material relationship. Ownership of a significant amount of our shares, by itself, does not constitute a material relationship.

Pursuant to Nasdaq rules, a director employed by us cannot be deemed to be an "independent director," and consequently Mr. Griffith and Dr. Wood do not qualify as independent directors.

Our board of directors has reviewed the materiality of any relationship that each of our directors has with us, either directly or indirectly. Based on this review, our board of directors has determined that the following directors are "independent directors" as defined by the applicable rules and regulations of Nasdaq: Rafaèle Tordjman, James Healy, Isaac Cheng and Martin Mellish.

Committees of the Board of Directors and Corporate Governance

Subject to certain exceptions, the rules of the Nasdaq permit a foreign private issuer to follow its home country practice in lieu of the listing requirements of Nasdaq.

The committees of our board of directors will consist of an audit committee, a remuneration committee and a nominations committee. As permitted by home country practice, our remuneration and nominations committees may include non-independent directors. Each of these committees has the responsibilities described below. Our board of directors may also establish other committees from time to time to assist in the discharge of its responsibilities.

Audit Committee

Immediately upon completion of the offering, the members of our audit committee will be three of our non-executive directors, Martin Mellish, James Healy and Isaac Cheng, and each of these members is an "independent director" as such term is defined in Rule 10A-3 under the Exchange Act. Martin Mellish will serve as chair of the audit committee. Our board of directors has determined that Martin Mellish is a financial expert as contemplated by the rules of the SEC implementing Section 407 of the Sarbanes Oxley Act of 2002. Our audit committee will meet at least four times per year and oversee the monitoring of our internal controls, accounting policies and financial reporting and provide a forum through which our external auditors and independent registered public accounting firm reports. Our audit committee will meet at least once a year with the external auditors and our independent registered public accounting firm without executive board members present. The audit committee will also be responsible for overseeing the activities of the external auditors and our independent registered public accounting firm, including their appointment, reappointment, or removal as well as monitoring their objectivity and independence. The audit committee will also review and approve the fees paid to our external auditors and independent registered public accounting firm and determine whether the fee levels for non-audit services, individually and in aggregate, relative to the audit fee are appropriate so as not to undermine their independence.

Remuneration Committee

Immediately upon the completion of this offering, the members of the remuneration committee will be Hugh Griffith and two of our non-executive directors, Rafaèle Tordjman and James Healy. Each of these non-executive director members is a non-employee director as defined in Rule 166-3 under the Exchange Act and an outside director as defined in Section 162(m) of the Internal Revenue Code of 1986, as amended. Rafaèle Tordjman will serve as chair of the remuneration committee. Our remuneration committee will review, among other things, the performance of the executive officers and sets the scale and structure of their remuneration and the basis of their

service agreements with due regard to the interests of the shareholders. It will be a policy of the remuneration committee that no individual participates in discussions or decisions concerning his or her own remuneration.

Nominations Committee

Immediately upon completion of this offering, the members of the nominations committee will be Hugh Griffith and Christopher Wood and one of our non-executive directors, Rafaèle Tordjman. Hugh Griffith will serve as chair of the nominations committee and oversee the evaluation of the board of directors' performance. The nominations committee will meet at least twice a year and review the structure, size and composition of the board of directors, supervise the selection and appointment process of directors, making recommendations to the board of directors with regard to any changes and using an external search consultancy if considered appropriate. For new appointments, the nominations committee will make a final recommendation to the board of directors, and the board of directors will have the opportunity to meet the candidate prior to approving the appointment. Once appointed, the nominations committee will oversee the induction of new directors and provide the appropriate training to the board of directors during the course of the year in order to ensure that they have the knowledge and skills necessary to operate effectively. The nominations committee will also be responsible for annually evaluating the performance of the board of directors, both on an individual basis and for the board of directors as a whole, taking into account such factors as attendance record, contribution during board of directors meetings and the amount of time that has been dedicated to board matters during the course of the year.

Code of Business Conduct and Ethics

Upon the completion of this offering, we will adopt a Code of Business Conduct and Ethics that will cover a broad range of matters including the handling of conflicts of interest, compliance issues and other corporate policies such as equal opportunity and non-discrimination standards.

Compensation

The following discussion provides the amount of compensation paid, and benefits in kind granted, by us and our subsidiaries to our directors and members of management for services in all capacities to us and our subsidiaries for the year ended December 31, 2016, as well as the amount contributed by us or our subsidiaries into money purchase plans for the year ended December 31, 2016 to provide pension, retirement or similar benefits to, our directors and members of the executive management board.

Directors' and Executive Officers' Compensation

For the year ended December 31, 2016, we paid an aggregate of £1.3 million in cash and benefits to our executive officers and directors.

Bonus Plans

The summary set forth below describes the bonus plan pursuant to which compensation was paid to our executive officers and directors for the year ended December 31, 2016.

Our executive officers and directors are eligible for an annual bonus at the discretion of the Remuneration Committee. Bonus awards are reviewed at the end of each calendar year and any such awards are determined by the performance of the individual and our company as a whole based upon the achievement of strategic objectives set at the beginning of the year.

Outstanding Equity Awards, Grants and Option Exercises

During the year ended December 31, 2016, options to purchase 366,440 ordinary shares were awarded to our executive officers and directors. As of December 31, 2016, our executive officers and directors held options

to purchase 2,655,687 ordinary shares. Our executive officers and directors exercised options to purchase 45,750 ordinary shares during the year ended December 31, 2016.

We periodically grant share options to employees, directors and consultants to enable them to share in our successes and to reinforce a corporate culture that aligns their interests with that of our shareholders. From December 31, 2014 through August 31, 2017, we have granted options to purchase 389,690 ordinary shares to our executive officers and directors. Subsequent to August 31, 2017, we have granted options to purchase 1,074,283 ordinary shares to our executive officers and directors and we have approved for grant, as of and in connection with this offering, options to purchase 178,282 ordinary shares to our executive officers and directors. From December 31, 2014 through August 31, 2017, we have granted options to purchase 191,250 ordinary shares to 12 employees and consultants who are not directors or executive officers. Of these, options to purchase 50,000 shares were cancelled in 2016. Subsequent to August 31, 2017, we have granted options to purchase 187,500 ordinary shares to five employees who are not executive officers or directors and we have approved for grant, as of and in connection with this offering, options to purchase 37,500 ordinary shares to one employee who is not an executive officer or director.

Pension, Retirement and Similar Benefits

For the year ended December 31, 2016, we and our subsidiaries contributed a total of £33,722 into money purchase plans to provide pension, retirement or similar benefits to our executive officers and directors.

Insurance and Indemnification

To the extent permitted by the Companies Act 2006, we are permitted to indemnify our directors against any liability they incur by reason of their directorship. We maintain directors' and officers' insurance to insure such persons against certain liabilities. In connection with this offering, we expect to enter into a deed of indemnity with each of our directors and executive officers prior to completion of this offering.

Insofar as indemnification of liabilities arising under the Securities Act may be permitted to our directors, executive officers or persons controlling us pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Equity Compensation Plans

We have granted options to purchase our shares under three share option schemes, which are summarized in this section.

2009 Share Option Scheme

On August 1, 2009, we adopted a share option scheme, or the 2009 Share Option Scheme, for the purpose of enabling the grant of share options to incentivize our employees, consultants and directors and those employees, consultants and directors of our subsidiary companies. The 2009 Share Option Scheme was subsequently amended and approved by our board of directors and by our shareholders on November 15, 2011 and November 17, 2011, respectively.

The 2009 Share Option Scheme permits grants of (i) enterprise management incentive options which are potentially tax-advantaged in the United Kingdom under the terms of Schedule 5 to the United Kingdom Income Tax (Earnings and Pensions) Act 2003 (subject to the relevant conditions being met by the company and the grantee) and (ii) "unapproved" options (which do not attract tax advantages as they have not been "approved" by the U.K. tax authority, HMRC).

As of August 31, 2017, we had granted options to purchase 1,032,500 ordinary shares to directors, employees and consultants under the 2009 Share Option Scheme. 7,500 of these options lapsed in 2017. The remainder of these options have vested and are exercisable.

Class of Share. An option granted under the 2009 Share Option Scheme entitles the option holder, subject to the satisfaction, waiver or acceleration of specific exercise conditions, to subscribe for ordinary shares.

Exercise Conditions. Options granted under our 2009 Share Option Scheme may be granted subject to vesting schedules, performance targets or other conditions which must be satisfied or waived before exercise. Exercise conditions may be removed or varied by our board of directors, provided that any variation shall be (in the reasonable opinion of our board of directors) no more difficult to satisfy than the original exercise condition.

Each option grant is documented through an option agreement. Most of the option agreements entered into under the 2009 Share Option Scheme provide that all unexercised options are exercisable upon one or more of the following events: (i) the admission of part of or the entirety of issued share capital (or of any holding company) to listing on the Official List of the U.K. Listing Authority and to trading on the market for listed securities of London Stock Exchange plc, or to trading on AIM, a market of the London Stock Exchange, or to trading on any recognized investment exchange (as that term was defined in Section 841 of Income and Corporate Taxes Act 1988, or ICTA, and as now contained in Section 1137 of the Corporation Tax Act 2010, or CTA); (ii) a change of control; or (iii) a sale of our company.

Takeovers and Corporate Events. If (a) any person or group of persons acting in concert obtains control (as defined in section 840 of ICTA and as now contained in section 995 Income Tax Act, or ITA) of the company, as a result of making either (i) an offer to acquire shares amounting to more than 50% of the issued share capital of the company on a condition such that if it is satisfied the person or group of persons will have control of the company, or (ii) a general offer to acquire all of the issued share capital of the company (or all of the ordinary shares of the company in issue); or (b) any person becomes entitled or bound to acquire shares in the company under sections 428 to 430F of the Companies Act 1985 (since repealed and replaced by sections 974 to 991 of the Companies Act 2006); or (c) under section 425 of the Companies Act 1985 (since repealed and replaced by sections 895 to 901 of the Companies Act 2006) the courts of England and Wales sanction a compromise or arrangement proposed for the purpose of or in connection with a scheme for the reconstruction of the company or its amalgamation with any other company or companies, and, in each case an option holder's option agreement expressly so provides, an option holder may at any time exercise his or her options or any part thereof which has not lapsed within a specified period. To the extent they are not exercised, such options will lapse at the end of the specified period for exercise.

Lapse of Options. If not otherwise lapsed in accordance with the provisions of the 2009 Share Option Scheme, an option granted under the 2009 Share Option Scheme shall lapse at 5p.m. on the day before the 10th anniversary of the grant of the option.

If an option holder dies, his or her personal representatives may exercise his or her options within a period ending on the earlier of (i) the expiry of 12 months after the date of death, and (ii) 5 p.m. on the day before the 10th anniversary of the grant of the option, only to the extent that any exercise conditions have been met at the time of death. Failing such exercise the deceased option holder's options shall lapse.

Adjustment of Awards. In the event that there is any variation in our share capital that affects the value of the options, our board of directors will make such adjustments to the number and exercise price of shares subject to each option or the option price as our board of directors considers appropriate in accordance with the rules of the 2009 Share Option Scheme.

Transferability. No options under the 2009 Share Option Scheme may be transferred, assigned or have any created over them and will lapse immediately upon an attempt to do so.

Amendment. Our board of directors may, with the approval of the shareholders of the company at a general meeting, amend the 2009 Share Option Scheme, provided that any amendment shall not, without the consent of an option holder, materially increase his or her liabilities or materially decrease the value of his or her subsisting rights under an outstanding option.

With effect from closing of this offering, the rules of the 2009 Share Option Scheme shall be amended such that any amendment to the scheme shall take effect without the requirement for the prior approval of our shareholders, except as otherwise required by applicable laws or the rules of any securities exchange on which our securities are listed.

2012 Share Option Scheme

On July 3, 2012, we adopted a share option scheme, or the 2012 Share Option Scheme, for the purpose of enabling the grant of share options to incentivize our employees and directors and those employees and directors of our subsidiary companies.

The 2012 Share Option Scheme permits grants of (i) enterprise management incentive options, which are potentially tax advantaged in the United Kingdom, and (ii) "unapproved" options, which do not attract tax advantages as they have not been "approved" by HMRC.

As of August 31, 2017, we had granted options to purchase 1,908,935 ordinary shares to directors and employees under the 2012 Share Option Scheme. Of these, options to purchase 105,188 shares have been cancelled and options to purchase 37,500 shares were exercised in 2016. The remaining options to purchase 1,766,247 shares have vested and are exercisable.

Class of Share. An option granted under the 2012 Share Option Scheme entitles the option holder, subject to the satisfaction, waiver or acceleration of specific exercise conditions, to subscribe for ordinary shares.

Exercise Conditions. Options granted under our 2012 Share Option Scheme may be granted subject to vesting schedules, performance targets or other conditions which must be satisfied or waived before exercise. Exercise conditions may be removed or varied by our board of directors, provided that any variation shall be (in the reasonable opinion of our board of directors) no more difficult to satisfy than the original exercise condition. Each option grant is documented through an option agreement.

Leaver Provisions. Absent summary dismissal with just cause, options will be retained by an option holder once they have ceased to be an employee or director of us or a subsidiary. Where an option holder has been summarily dismissed for cause, such option holder's unexercised options shall immediately cease to be exercisable and shall lapse after 90 days unless our board of directors determines within such 90 day period that the option holder may exercise all or part of his options within a specified period.

Lapse of Options. If not otherwise lapsed in accordance with the provisions of the 2012 Share Option Scheme, an option granted under the 2012 Share Option Scheme shall lapse at 5 p.m. on the day before the 10th anniversary of the grant of the option.

If an option holder dies, his personal representatives may exercise his options within a period ending on the earlier of (i) the expiry of 12 months after the date of death, and (ii) 5 p.m. on the day before the 10th anniversary of the grant of the option, only to the extent that any exercise conditions have been met at the time of death. Failing such exercise the deceased option holder's options shall lapse.

Takeovers and Corporate Events. If (a) any person or group of persons acting in concert obtains control (as defined in section 840 of ICTA and as now contained in section 995 of ITA) of the company, as a result of making either (i) an offer to acquire shares amounting to more than 50% of the issued share capital of the

company on a condition such that if it is satisfied the person or group of persons will have control of the company, or (ii) a general offer to acquire all of the issued share capital of the company (or all of the ordinary shares of the company in issue); or (b) any person becomes entitled or bound to acquire shares in the company under sections 428 to 430F of the Companies Act 1985 (since repealed and replaced by sections 974 to 991 of the Companies Act 2006); or (c) under section 425 of the Companies Act 1985 (since repealed and replaced by sections 895 to 901 of the Companies Act 2006) the courts of England and Wales sanction a compromise or arrangement proposed for the purpose of or in connection with a scheme for the reconstruction of the company or its amalgamation with any other company or companies, and, in each case an option holder's option agreement expressly so provides, an option holder may at any time exercise his or her options or any part thereof which has not lapsed within a specified period. To the extent they are not exercised, such options will lapse at the end of the specified period for exercise.

Adjustment of Awards. In the event that there is any variation in our share capital that affects the value of the options, our board of directors will make such adjustments to the number and exercise price of shares subject to each option or the option price as our board of directors considers appropriate in accordance with the rules of the 2012 Share Option Scheme.

Transferability. No options under the 2012 Share Option Scheme may be transferred, assigned or have any charge created over them and will lapse immediately upon an attempt to do so.

Amendment. Our board of directors may, with the approval of the shareholders of the company at a general meeting, amend the 2012 Share Option Scheme, provided that any amendment shall not, without the consent of an option holder, materially increase his or her liabilities or materially decrease the value of his or her subsisting rights under an outstanding option.

With effect from closing of this offering, the rules of the 2012 Share Option Scheme shall be amended such that any amendment to the scheme shall take effect without the requirement for the prior approval of our shareholders, except as otherwise required by applicable laws or the rules of any securities exchange on which our securities are listed.

2016 Share Option Scheme

On January 14, 2016 we adopted a share option scheme, or the 2016 Share Option Scheme, for the purpose of enabling the grant of share options to incentivize our employees and directors and those employees and directors of our subsidiary companies. The 2016 Share Option Scheme incorporates a sub-plan for option holders subject to taxation in the United States, or the 2016 U.S. Sub-Plan.

The 2016 Share Option Scheme permits grants of (i) enterprise management incentive options, (ii) "unapproved" options, and (iii) incentive stock options and non-qualified stock options under the 2016 U.S. Sub-Plan.

As of August 31, 2017, we had granted options to purchase 518,440 ordinary shares to directors and employees under the 2016 Share Option Scheme. Of these, options to purchase 45,750 shares were exercised in 2016 and options to purchase 30,000 shares were exercised in 2017.

Class of Share. An option granted under the 2016 Share Option Scheme entitles the option holder, subject to the satisfaction, waiver or acceleration of specific exercise conditions, to subscribe for ordinary shares.

Exercise Conditions. Options granted under our 2016 Share Option Scheme may be granted subject to vesting schedules, performance targets or other conditions which must be satisfied or waived before exercise. Exercise conditions may be removed or varied by our board of directors, provided that any variation shall be (in the reasonable opinion of our board of directors) no more difficult to satisfy than the original exercise condition.

Each option grant is documented through an option agreement. Most of option agreements entered into under the 2016 Share Option Scheme provide that all unvested options shall immediately vest if, following one of the Takeover and Corporate Events listed below, the option holder (i) remains an eligible employee for the purpose of the plan; and (ii) has experienced a material reduction in base compensation that was payable as at the date of grant or has otherwise experienced a material change or reduction in authority, duties, reporting or responsibilities.

Leaver Provisions. If an option holder ceases to be an employee or director of the company or a subsidiary for a variety of specified reasons (including ill health, retirement, sale of a subsidiary company or part of the business to a third party, or if his employment/directorship ceases for any reason part from summary dismissal from fraud or gross misconduct) then the option holder may exercise his options during the 12 months after the date of such cessation of employment/directorship only to the extent that any exercise conditions have been met at the time of such cessation of employment/directorship. Any part of an option in respect of which the relevant exercise conditions have not been met at the point at which the option holder ceases his employment/directorship shall lapse.

Lapse of Options. If not otherwise lapsed in accordance with the provisions of the 2016 Share Option Scheme, an option granted under the 2016 Share Option Scheme shall lapse at 5 p.m. on the day before the 10th anniversary of the grant of the option.

If an option holder dies, his personal representatives may exercise his options within a period ending on the earlier of (i) the expiry of 12 months after the date of death, and (ii) 5 p.m. on the day before the 10th anniversary of the grant of the option, only to the extent that any exercise conditions have been met at the time of death. Failing such exercise the deceased option holder's options shall lapse.

Takeovers and Corporate Events. If (a) any person or group of persons acting in concert obtains control (as defined in section 840 of ICTA and as now contained in section 995 of ITA) of the company, as a result of making either (i) an offer to acquire shares amounting to more than 50% of the issued share capital of the company on a condition such that if it is satisfied the person or group of persons will have control of the company, or (ii) a general offer to acquire all of the issued share capital of the company (or all of the ordinary shares of the company in issue); or (b) any person becomes entitled or bound to acquire shares in the company under sections 974 to 991 of the Companies Act 2006; or (c) under sections 895 to 901 of the Companies Act 2006 the courts of England and Wales sanction a compromise or arrangement proposed for the purpose of or in connection with a scheme for the reconstruction of the company or its amalgamation with any other company or companies, and, in each case an option holder's option agreement expressly so provides, an option holder may at any time exercise his or her options or any part thereof which has not lapsed within a specified period. To the extent they are not exercised, such options will lapse at the end of the specified period for exercise.

Adjustment of Awards. In the event that there is any variation in our share capital that affects the value of the options, our board of directors will make such adjustments to the number and exercise price of shares subject to each option or the option price as our board of directors considers appropriate in accordance with the rules of the 2016 Share Option Scheme.

Transferability. No options under the 2016 Share Option Scheme may be transferred, assigned or have any charge created over them and will lapse immediately upon an attempt to do so.

Amendment. Our board of directors may, with the approval of the shareholders of the company at a general meeting, amend the 2016 Share Option Scheme, provided that any amendment shall not, without the consent of an option holder, materially increase his or her liabilities or materially decrease the value of his or her subsisting rights under an outstanding option.

With effect from closing of this offering, the rules of the 2016 Share Option Scheme shall be amended such that any amendment to the scheme shall take effect without the requirement for the prior approval of our

shareholders, except as otherwise required by applicable laws or the rules of any securities exchange on which our securities are listed.

2016 U.S. Sub-Plan

The 2016 U.S. Sub-Plan applies to grantees that are subject to U.S. federal income tax. The 2016 U.S. Sub-Plan provides that options granted to the U.S. grantees will either be incentive stock options pursuant to Section 422 of the Internal Revenue Code or nonqualified stock options. Options, other than certain incentive stock options described below, must have an exercise price not less than 100% of the fair market value of an underlying share on the date of grant. Incentive stock options that are not exercised within 10 years from the grant date expire, provided that incentive stock options granted to a person holding more than 10% of our voting power will expire within five years from the date of the grant date and must have an exercise price at least equal to 110% of the fair market value of an underlying share on the date of grant. The number of shares available under the 2016 Share Option Scheme for grants of incentive stock options shall not exceed 5,008,284 ordinary shares, subject to any applicable adjustment pursuant to the 2016 Share Option Scheme due to a variation of capital. With respect to grantees that are subject to U.S. federal income tax, the 2016 Share Option Scheme, the 2016 U.S. Sub-Plan and all options issued thereunder are intended to comply with, or be exempt from, Section 409A of the Internal Revenue Code, and they are to be interpreted accordingly. In the event that any option is subject to Section 409A of the Internal Revenue Code, our board of directors or our general counsel may, in their sole discretion, amend the 2016 Share Option Scheme, the 2016 U.S. Sub-Plan and any option issued thereunder, adopt policies and procedures or take such other actions as our board of directors or our general counsel deem appropriate, to exempt the 2016 Share Option Scheme, the 2016 U.S. Sub-Plan or any option from Section 409A of the Internal Revenue Code, preserve the intended tax treatment of such option or comply with the requirements of Section 409A of the Internal Revenue Code.

Employee Benefit Trust

On December 19, 2011, we established a discretionary employee benefit trust under the terms of a trust deed, or the Employee Benefit Trust, to operate in conjunction with our share option schemes. The beneficiaries of the Employee Benefit Trust are our employees and former employees (including executive directors) and their spouses, civil partners, surviving spouses and civil partners, children and step-children under the age of 18. The trustee of the Employee Benefit Trust is NuCana BioMed Trustee Company Limited, or the Trustee, our wholly owned subsidiary. As of August 31, 2017, the Trustee holds 500,000 of our ordinary shares in trust under the terms of the trust deed, which, pursuant to the terms of our three option schemes, and at the election of the Trustee, may be used to satisfy awards under our share option schemes. Under the terms of the trust deed, unless we direct otherwise, the Trustee must abstain from voting at a general meeting any of our shares held in the trust fund for which the Trustee holds the whole of the beneficial interest.

RELATED PARTY TRANSACTIONS

The following is a description of related party transactions we have entered into since January 1, 2014 with any members of our board of directors or executive officers or the holders of more than 5% of our share capital.

Participation in this Offering

Certain of our existing shareholders have indicated an interest in purchasing an aggregate of up to approximately $40 million of our ADSs in this offering at the initial public offering price. Based on the assumed offering price of $15.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, these investors would purchase up to an aggregate of 2,666,667 of ADSs in this offering based on these indications of interest. However, because indications of interest are not binding agreements or commitments to purchase, the underwriters could determine to sell more, fewer or no ADSs to any of these potential purchasers, and any of these potential purchasers could determine to purchase more, fewer or no ADSs in this offering. The underwriters will receive the same underwriting discount on any securities purchased by these investors as they will on any other securities sold to the public in this offering.

Series B Share Placement

In March 2014, we issued an aggregate of 8,462,500 series B convertible participating shares, or Series B Shares, to new and existing institutional and other investors at a price of £4.00 per share for an aggregate subscription price of £33.85 million, or the Series B Placement.

The following table sets forth the aggregate number of our Series B Shares issued to our 5% or greater shareholders and their affiliates and one of our former executive officers in the Series B Placement.

Participants(1)	Series B Shares
Sofinnova Capital VI FCPR (2)	2,500,000
Sofinnova Venture Partners VIII, L.P. (3)	4,000,000
Morningside Venture Investments Limited (4)	1,800,000
Scottish Enterprise	125,000
Christopher McGuigan (5)	37,500

(1) For further information, see “Principal Shareholders.”
(2) Rafaèle Tordjman, a member of our board of directors, was a Managing Partner at Sofinnova Partners SAS, the management company of Sofinnova Capital VI FCPR, at the time of the Series B Placement.
(3) James Healy, a member of our board of directors, is a managing member of Sofinnova Management VIII, L.L.C., the general partner of Sofinnova Venture Partners VIII, L.P.
(4) Isaac Cheng is a member of our board of directors who has been designated by Morningside Venture Investments Limited.
(5) Christopher McGuigan was our Chief Scientific Officer at the time of the Series B Placement.

Shareholders’ Agreement and Registration Rights

In connection with the Series B Placement, we entered into a shareholders’ agreement with all of our then-existing shareholders, including certain of our directors and executive officers, on March 31, 2014, or the 2014 Shareholders’ Agreement. Among other things, the 2014 Shareholders’ Agreement provided piggyback registration rights to certain of our then-existing shareholders. The 2014 Shareholders’ Agreement will terminate upon the completion of this offering. We have entered into a registration rights agreement to be effective upon the completion of this offering and pursuant to which we have agreed under specified circumstances to file a

registration statement to register the resale of the ordinary shares (which may be converted into ADSs) held by some of our existing shareholders, as well as to cooperate in specified public offerings of such shares. See “Description of Share Capital – Registration Rights”.

Management Rights Letter

In connection with the Series B Placement, we entered into a management rights letter with Sofinnova Venture Partners VIII, L.P., or Sofinnova Ventures, on March 31, 2014, which holds more than 5% of our Series B Shares, pursuant to which Sofinnova Ventures is entitled to consult and advise our management on significant business. The management rights letter will terminate upon the completion of this offering.

Agreements with Our Executive Officers and Directors

We have entered into service agreements with our three executive officers.

Related Person Transaction Policy

Prior to the completion of this offering, we intend to adopt a related person transaction policy requiring that all related person transactions required to be disclosed by a foreign private issuer pursuant to the Exchange Act be approved by the audit committee or another independent body of our board of directors.

Indemnification Agreements

In connection with this offering, we expect to enter into deeds of indemnity with each of our directors and executive officers. See “Management — Compensation — Insurance and Indemnification.”

PRINCIPAL SHAREHOLDERS

The following table and related footnotes set forth information with respect to the beneficial ownership of our ordinary shares as of September 15, 2017 and as of the consummation of this offering, in each case, giving effect to the automatic conversion, immediately prior to the completion of this offering, of all of our outstanding series A convertible participating shares, series B convertible participating shares, founder ordinary 1 shares and founder ordinary 2 shares into ordinary shares, by:

- each of our executive officers and directors;
- each person beneficially owning more than 5% of our share capital as of September 15, 2017; and
- all executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of ordinary shares owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days from September 15, 2017, including through the exercise of any option, warrant or other right or the conversion of any other security. These ordinary shares, however, are not included in the computation of the percentage ownership of any other person except with respect to the percentage ownership of all board members and executive officers, as a group. Ownership of our ordinary shares by the “principal shareholders” identified below has been determined by reference to our share register, which provides us with information regarding the registered holders of our ordinary shares but generally provides limited, or no, information regarding the ultimate beneficial owners of such ordinary shares. As a result, we may not be aware of each person or group of affiliated persons who beneficially owns more than 5% of our ordinary shares. Based on our share register and other information made available to us by certain of our shareholders, as of September 15, 2017, 4,790,480 ordinary shares, representing 19.8% of our issued and outstanding ordinary shares, were held by four U.S. record holders.

This table assumes no exercise of the underwriters’ over-allotment option to purchase additional ADSs.

Unless otherwise indicated, the address for each of the shareholders in the table below is c/o NuCana plc, 10 Lochside Place, Edinburgh, EH12 9RG, United Kingdom.

Certain of our existing shareholders have indicated an interest in purchasing an aggregate of up to approximately $40 million of our ADSs in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, the underwriters could determine to sell more, fewer or no ADSs to any of these potential purchasers, and any of these potential purchasers could determine to purchase more, fewer or no ADSs in this offering. The following table does not reflect any potential purchases by these investors or their affiliated entities.

Name of Beneficial Owner	Ordinary Shares Beneficially Owned(1)	Percentage of Ordinary Shares Beneficially Owned	
		Before the Offering	After the Offering
Greater than 5% Shareholders			
Sofinnova Capital VI FCPR(2)	7,833,334	32.35%	25.37%
Sofinnova Venture Partners VIII, L.P.(3)	4,000,000	16.52	12.95
Morningside Venture Investments Limited(4)	2,911,111	12.02	9.43
Scottish Enterprise(5)	2,246,915	9.28	7.27
Named Executive Officers and Directors			
Hugh Griffith(6)	3,403,531	12.79	10.23
Christopher Wood(7)	1,949,374	7.75	6.13
Donald Munoz(8)	135,345	*	*
Rafaèle Tordjman	—	—	—
James Healy(9)	4,045,750	16.71	13.10
Isaac Cheng(10)	—	—	—
Martin Mellish(11)	28,312	*	*
All of our current executive officers and directors, as a group (7 persons)	9,562,312	34.53%	27.83%

* Indicates beneficial ownership of less than one percent of our ordinary shares.

(1) Number of shares owned as shown both in this table and the accompanying footnotes and percentage ownership before the offering is based on 24,214,641 ordinary shares outstanding on September 15, 2017, which gives effect to the automatic conversion of all of the 1,000,000 founder ordinary 1 shares, 1,000,000 founder ordinary 2 shares, 7,483,334 series A convertible participating shares preferred shares and 8,462,500 series B convertible participating shares outstanding into ordinary shares on a one-for-one basis.

(2) All shares are held by Sofinnova Capital VI FCPR ("Sofinnova Capital"). Sofinnova Partners SAS, a French corporation, is the management company of Sofinnova Capital, and may be deemed to have sole voting and investment power with respect to the shares held by Sofinnova Capital. Denis Lucquin, Antoine Papiernik, Monique Saulnier and Graziano Seghezzi are the managing partners of Sofinnova Partners SAS, and, as such, may be deemed to have joint voting and investment power with respect to the shares held by Sofinnova Capital. The address of Sofinnova Capital is Sofinnova Partners, Immeuble le Centorial, 16-18 Rue du Quatre-Septembre, 75002 Paris, France.

(3) All shares are held by Sofinnova Venture Partners VIII, L.P. ("Sofinnova Ventures"). Dr. James Healy, a member of our board of directors, together with Dr. Michael F. Powell and Dr. Anand Mehra, are the managing members of Sofinnova Management VIII, L.L.C., the general partner of Sofinnova Ventures, and as such, may be deemed to have joint voting and dispositive power with respect to the shares held by Sofinnova Ventures. Each of Dr. Powell, Dr. Mehra and Dr. Healy disclaims beneficial ownership of the shares held by Sofinnova Ventures, except to the extent of his pecuniary interest therein, if any. The mailing address of Sofinnova Ventures is c/o Sofinnova Ventures, Inc., 3000 Sand Hill Road, Bldg. 4, Suite 250, Menlo Park, CA 94025.

(4) All shares are held by Morningside Venture Investments Limited ("MVIL"). Raymond Tang, Louise Garbarino, Peter Stuart Allenby Edwards and Jill Franklin are directors of MVIL, and may be deemed to have joint voting and dispositive power with respect to the shares held by MVIL. Each of Mr. Tang, Ms. Garbarino, Mr. Edwards and Ms. Franklin disclaim beneficial ownership of the shares held by MVIL, except to the extent of his or her pecuniary interest therein, if any. The mailing address of MVIL is 2nd Floor, Le Prince de Galles, 3-5 Avenue des Citronniers, MC 98000, Monaco.

(5) Consists of 2,246,915 ordinary shares owned of record by Scottish Enterprise. Scottish Enterprise is a non-departmental body of the Scottish government and has sole voting and investment power with respect to the shares. The address of Scottish Enterprise is Atrium Court, 50 Waterloo Street, Glasgow G2 6HQ, Scotland.

(6) Consists of (a) 1,000,000 ordinary shares and (b) options to purchase 2,403,531 ordinary shares that are or will be immediately exercisable within 60 days of September 15, 2017.

(7) Consists of (a) 1,011,875 ordinary shares and (b) options to purchase 937,499 ordinary shares that are or will be immediately exercisable within 60 days of September 15, 2017.

(8) Consists of (a) 30,000 ordinary shares and (b) options to purchase 105,345 ordinary shares that are or will be immediately exercisable within 60 days of September 15, 2017.

(9) Consists of (a) 45,750 ordinary shares held in the Healy Family Trust, for which Dr. James Healy's spouse is the trustee, and (b) 4,000,000 ordinary shares owned of record by Sofinnova Ventures. Dr. James Healy, a member of our board of directors, together with Dr. Michael F. Powell and Dr. Anand Mehra, are the managing members of Sofinnova Management VIII, L.L.C., the general partner of Sofinnova Ventures, and as such, may be deemed to share voting and investment power with respect to such shares. Dr. Healy disclaims beneficial ownership with regard to the 4,000,000 shares owned by Sofinnova Ventures, except to the extent of his proportionate pecuniary interest therein.

(10) Isaac Cheng is a member of our board of directors who has been designated by MVIL. Dr. Cheng has no voting or investment power with respect to the shares held by MVIL.

(11) Consists of options to purchase 28,312 ordinary shares that are or will be immediately exercisable within 60 days of September 15, 2017.

DESCRIPTION OF SHARE CAPITAL

The following describes our issued share capital, summarizes the material provisions of our articles of association and highlights certain differences in corporate law in the United Kingdom and the United States. Please note that this summary is not intended to be exhaustive. For further information please refer to the full version of our articles of association, which is included as an exhibit to the registration statement of which this prospectus is part.

General

We were incorporated in England and Wales with the Registrar of Companies of England and Wales, United Kingdom on January 28, 1997 under the name Biomed (UK) Limited as a private company limited by shares with company number 03308778.

On April 28, 2008, our name was changed to NuCana BioMed Limited. On August 29, 2017, we re-registered as a public limited company and changed our name to NuCana plc. Such re-registration required the passing of special resolutions by our shareholders to approve the re-registration as a public limited company, the name change to NuCana plc and to effect certain amendments to our articles of association.

Our registered office is located at 77/78 Cannon Street, London, EC4N 6AF, United Kingdom. The principal legislation under which we operate and our shares are issued is the Companies Act 2006.

Prior to completion of this offering, certain resolutions will be passed by our shareholders. These include resolutions for:

- The adoption of new articles of association that will become effective upon the completion of this offering. See "—Articles of Association" below.
- The general authorization of our directors for purposes of section 551 Companies Act 2006 to issue shares in the company and grant rights to subscribe for or convert any securities into shares in the company up to a maximum aggregate nominal amount of £791,497.28 for a period expiring at the conclusion of our next annual general meeting.
- The empowering of our directors pursuant to section 570 Companies Act 2006 to issue equity securities for cash pursuant to the section 551 authority referred to above as if the statutory pre-emption rights under section 561(1) Companies Act 2006 did not apply to such allotments.

Issued Share Capital

Our issued share capital as of August 31, 2017 is £663,935, divided into: 7,483,334 series A convertible participating shares of £0.04 each; 8,462,500 series B convertible participating shares of £0.004 each; 6,268,807 ordinary shares of £0.04 each; 1,000,000 founder ordinary 1 shares of £0.04 each; and 1,000,000 founder ordinary 2 shares of £0.04 each. A summary of increases in, and changes to, our issued share capital since our incorporation is set out below.

We issued one quarter of one ordinary share of £4.00 each to each of London Law Services Limited and London Law Secretarial Limited, respectively, upon incorporation.

On March 20, 2008, we subdivided the outstanding issued fractions of ordinary shares of £4.00 each into 50 ordinary shares of £0.04 each and we subdivided the remaining authorized yet unissued fractions of the ordinary shares of £4.00 each into 2,450 ordinary shares of £0.04 each. Further, our authorized share capital was increased from £100 to £500,000 by the creation of 12,497,500 new ordinary shares of £0.04 each. On March 20, 2008, we issued 4,499,950 ordinary shares of £0.04 each.

On July 27, 2008, we issued a further 200,000 ordinary shares of £0.04 each. On August 20, 2009, we issued 350,000 ordinary shares of £0.04 each. On December 18, 2009, we issued 1,816,976 ordinary shares of £0.04 each (500,000 of which were available for such issue, having previously been issued to, but subsequently surrendered by, a shareholder). On December 14, 2010, we issued 1,566,359 ordinary shares of £0.04 each.

On November 24, 2011, we issued 7,483,334 series A convertible participating shares of £0.04 each.

On March 28, 2012, we issued 222,222 ordinary shares of £0.04 each.

On March 31, 2014, we issued 8,462,500 series B convertible participating shares of £0.004 each.

On November 30, 2016, we issued 37,500 ordinary shares of £0.04 each, pursuant to the exercise of share options granted under the 2012 Share Option Scheme.

On December 31, 2016, we issued 45,750 ordinary shares of £0.04 each, pursuant to the exercise of share options granted under the 2016 Share Option Scheme.

On August 17, 2017, we issued 30,000 ordinary shares of £0.04 each, pursuant to the exercise of share options granted under the 2016 Share Option Scheme.

On September 14, 2017, we completed a one-for-four reverse share split and an associated, prior, bonus allotment of three ordinary shares and five series A convertible participating shares to eliminate fractional entitlements. References to the one-for-four reverse share split in this prospectus include the associated bonus allotment. The share numbers and nominal values set out above have, for presentational purposes, been adjusted to reflect the aforementioned reverse share split (which has necessitated reference to notional fractions of shares and resulted in certain numbers of shares having been rounded up). These share numbers and nominal values are therefore not representative of, for example, the entries made at the relevant time in our statutory registers nor filings we have made at the UK Registrar of Companies.

Ordinary Shares

As of August 31, 2017, we had issued and outstanding 6,268,807 ordinary shares of £0.04 each, held by 20 shareholders of record. Each issued ordinary share is fully paid.

Holders of ordinary shares are entitled to one vote for each share held of record on all matters submitted to a vote of shareholders and do not have cumulative voting rights.

Prior to this offering, in the event of any distribution of capital, whether as a result of winding-up, dissolution or liquidation of the company or otherwise, or payment of any dividend, the holders of ordinary shares will rank pari passu with the holders of founder ordinary 1 shares, founder ordinary 2 shares, series A convertible participating shares and series B convertible participating shares in proportion to the number of fully paid shares held.

Following this offering, any distribution made as result of winding-up, dissolution or liquidation of our company and any dividend declared will be distributed in proportion to the number of fully paid ordinary shares held.

Founder Ordinary 1 Shares

As of August 31, 2017, we had issued and outstanding 1,000,000 founder ordinary 1 shares of £0.04 each, held by one shareholder of record, Hugh S. Griffith. Each issued founder ordinary 1 share is fully paid.

Holders of founder ordinary 1 shares are entitled to vote on all matters submitted to a vote of shareholders either on a show of hands or on a poll. As an exception to the general rule that, on a poll, each of our shareholders has one vote for each share held: the holders of the founder ordinary 1 shares are, collectively entitled, on a poll, to exercise such number of votes that equals at least 5% of all votes exercisable by our shareholders.

Accordingly, (i) where the holders of the founder ordinary 1 shares, as a class, hold a number of shares that would (on a one vote per share basis) entitle them to exercise a number of votes less than 5% of the total number of votes exercisable by all shareholders on a poll vote, the holders of the founder ordinary 1 shares shall, as a class, be entitled to exercise such number of votes as equals 5% of the total number of votes exercisable by all shareholders on such poll; and (ii) where the holders of the founder ordinary 1 shares, as a class, hold a number of shares that would (on a one vote per share basis) entitle them to exercise 5% or more of the total number of votes exercisable by all shareholders on a poll vote, the holders of the founder ordinary 1 shares shall, as a class, be entitled to exercise the number of votes equal to the number of founder ordinary 1 shares so held.

The founder ordinary 1 shares will automatically convert into ordinary shares on a one-for-one basis immediately prior to the completion of this offering. Upon completion of this offering, there will be no founder ordinary 1 shares outstanding, and we have no present intention to issue any founder ordinary 1 shares at any time after completion of this offering.

Founder Ordinary 2 Shares

As of August 31, 2017, we had issued and outstanding 1,000,000 founder ordinary 2 shares of £0.04 each, held by one shareholder of record, Christopher Wood. Each issued founder ordinary 2 share is fully paid.

Holders of founder ordinary 2 shares are entitled to vote on all matters submitted to a vote of shareholders either on a show of hands or on a poll. As an exception to the general rule that, on a poll, each of our shareholders has one vote for each share held: the holders of the founder ordinary 2 shares are, collectively entitled, on a poll, to exercise such number of votes that equals at least 5% of all votes exercisable by our shareholders.

Accordingly, (i) where the holders of the founder ordinary 2 shares, as a class, hold a number of shares that would (on a one vote per share basis) entitle them to exercise a number of votes less than 5% of the total number of votes exercisable by all shareholders on a poll vote, the holders of the founder ordinary 2 shares shall, as a class, be entitled to exercise such number of votes as equals 5% of the total number of votes exercisable by all shareholders on such poll; and (ii) where the holders of the founder ordinary 2 shares, as a class, hold a number of shares that would (on a one vote per share basis) entitle them to exercise 5% or more of the total number of votes exercisable by all shareholders on a poll vote, the holders of the founder ordinary 2 shares shall, as a class, be entitled to exercise the number of votes equal to the number of founder ordinary 2 shares so held.

The founder ordinary 2 shares will automatically convert into ordinary shares on a one-for-one basis immediately prior to the completion of this offering. Upon completion of this offering, there will be no founder ordinary 2 shares outstanding, and we have no present intention to issue any founder ordinary 2 shares at any time after completion of this offering.

Series A Convertible Participating Shares

As of August 31, 2017, we had issued and outstanding 7,483,334 series A convertible participating shares of £0.04 each. Each issued series A convertible participating share is fully paid.

The holders of series A convertible participating shares are entitled to one vote for each share held of record on all matters submitted to a vote of shareholders and do not have cumulative voting rights. The series A

convertible participating shares will automatically convert into ordinary shares on a one-for-one basis immediately prior to the completion of this offering. Upon completion of this offering, there will be no series A convertible participating shares outstanding, and we have no present intention to issue any series A convertible participating shares at any time after completion of this offering.

Series B Convertible Participating Shares

As of August 31, 2017, we had issued and outstanding 8,462,500 series B convertible participating shares of £0.004 each, or Series B Shares. Each issued Series B Share is fully paid.

The holders of Series B Shares are entitled to one vote for each share held of record on all matters submitted to a vote of shareholders and do not have cumulative voting rights. Following the allotment and consolidation described below, the Series B Shares will automatically convert into ordinary shares on a one-for-one basis immediately prior to the completion of this offering. Upon completion of this offering, there will be no Series B Shares outstanding, and we have no present intention to issue any Series B Shares at any time after completion of this offering.

Conversion of Series B Shares into Ordinary Shares

For the purpose of facilitating a conversion of each Series B Share (nominal value £0.004 per share), into an ordinary share (nominal value £0.04 per share), immediately prior to the completion of this offering, we will allot to holders of Series B Shares an additional nine Series B Shares for each Series B Share held.

Subject to and conditional upon this allotment, every 10 Series B Shares of £0.004 will be consolidated into a single Series B Share of £0.04. Immediately prior to the completion of this offering, each Series B Share of £0.04 will then be automatically converted into one ordinary share of £0.04.

We will fund the allotment of these additional shares with reserves that are standing to the credit of our share premium account and obtain all shareholder resolutions and permissions as are necessary for the purpose of authorizing our directors to (i) capitalize the specified sum; (ii) allot the additional Series B Shares; and (iii) consolidate the Series B Shares.

Registration Rights

In connection with the Series B Placement, we entered into a shareholders' agreement with all of our then-existing shareholders, including certain of our directors and executive officers, on March 31, 2014, or the 2014 Shareholders' Agreement. Among other things, the 2014 Shareholders Agreement provided certain piggyback registration rights to certain of our then-existing shareholders. The 2014 Shareholders' Agreement will terminate effective upon completion of this offering.

We have entered into a registration rights agreement to be effective upon the completion of this offering and pursuant to which we have agreed under specified circumstances to file a registration statement to register the resale of the ordinary shares held by some of our existing shareholders, as well as to cooperate in specified public offerings of such shares. These rights are described below.

Demand Registration Rights. If at any time when we are eligible to use a Form F-3 registration statement, the holders of at least 25% of the registrable securities then outstanding have the right to demand that we file a Form F-3 registration statement with respect to such registrable securities. These registration rights are subject to specified conditions and limitations, including the right of the underwriters, if any, to limit the number of shares included in any such registration under specified circumstances. Upon such a request, we are required to use commercially reasonable efforts to effect such registration.

Company Registration. If we propose to register any of our equity securities under the Securities Act, other than in connection with certain specified registrations, including a registration relating solely to our employee equity incentive plans or a registration relating solely to certain business combinations or mergers involving us, the holders of these registrable securities are entitled to notice of such registration and are entitled to include their ordinary shares in the registration. Under certain circumstances, the underwriters, if any, may limit the number of ordinary shares included in any such registration.

Termination of Registration Rights. The registration rights granted under the registration rights agreement shall terminate upon the earlier to occur of (i) the fifth anniversary of the closing of this offering and (ii) the date on which there are no registrable securities remaining pursuant to the registration rights agreement.

Articles of Association

As described above, prior to this offering, our shareholders will pass a special resolution to adopt new articles of association which will become effective upon the completion of this offering. The following is a summary of certain provisions of the new articles of association.

Please note that this is only a summary and is not intended to be exhaustive. For further information please refer to the full version of our articles of association that will become effective upon the completion of this offering, which is included as an exhibit to the registration statement of which this prospectus is a part.

Shares and Rights Attaching to Them

General. All ordinary shares have the same rights and rank pari passu in all respects. Subject to the provisions of the Companies Act 2006 and any other relevant legislation, our board of directors may, from time to time, allot and issue shares following an ordinary resolution of the shareholders granting authority to the directors to allot shares (and if applicable, and not already disapplied, a special resolution to disapply pre-emption rights).

Our shares may be issued with or have attached to them any preferred, deferred, qualified or other special rights or restrictions, whether in relation to dividends, returns of capital, voting or otherwise, as set out in our articles of association or as the shareholders may determine by ordinary resolution (or, if the shareholders have not so determined, as our board of directors may determine).

Voting rights. Subject to any other provisions of our articles of association and without prejudice to any special rights, privileges or restrictions as to voting attached to any shares forming part of our share capital, the voting rights of shareholders are as follows. Unless a poll vote is demanded, shareholders shall vote on all resolutions on a show of hands. Our articles of association provide that a poll vote may be demanded before, or on the declaration of, the result of a vote on a show of hands: (a) by the chairman of a general meeting, (b) by at least five shareholders present at a meeting and entitled to vote, or (c) by any shareholder or shareholders present representing not less than ten per cent of the total voting rights or more than ten per cent of the total sum paid up on all voting shares. For these purposes, a shareholder will be present at a meeting if attending in person, by proxy, or, in the case of a shareholder that is a corporation (as broadly defined under the Companies Act 2006), by duly authorized representative.

On a show of hands, each shareholder present in person, and each duly authorized representative present in person of a shareholder that is a corporation, has one vote. On a show of hands, each proxy present in person who has been duly appointed by one or more shareholders has one vote, but a proxy has one vote for and one vote against a resolution if the proxy is instructed to vote on a resolution by more than one shareholder and is instructed to vote in different ways on such resolution.

On a poll, each shareholder present in person or by proxy or, with respect to a corporation, by a duly authorized representative has one vote for each share held by the shareholder. We are prohibited from exercising any rights to attend or vote at meetings in respect of any shares held by us as treasury shares.

Restrictions on voting where sums overdue on shares. None of our shareholders is entitled to vote at any general meeting or at any separate class meeting in respect of any share held by him or her unless all calls or other sums payable by him or her in respect of that share have been paid.

Calls on shares. The directors may from time to time make calls on shareholders in respect of any amounts unpaid on their shares, whether in respect of nominal value of the shares or by way of premium. Shareholders are required to pay the called amount on shares subject to receiving at least 14 clear days' notice specifying the time and place for payment. Under our articles of association, a period of "clear days" excludes the day on which a notice is given or deemed to have been given and the day for which it is given or on which it is to take effect. If a shareholder fails to pay any part of a call, the board of directors may serve further notice naming another day not being less than 14 clear days from the date of the further notice requiring payment and stating that in the event of non-payment the shares in respect of which the call was made will be liable to be forfeited. Subsequent forfeiture requires a resolution by the board of directors.

Dividends. Subject to the Companies Act 2006 and the provisions of all other relevant legislation, we may by ordinary resolution declare dividends out of profits available for distribution in accordance with the respective rights of shareholders, but no such dividend shall exceed the amount recommended by the board of directors. If, in the opinion of the board of directors, our profits available for distribution justify such payments, the board of directors may pay fixed dividends payable on any of our shares with preferential rights, half-yearly or otherwise, on fixed dates and from time to time pay interim dividends to the holders of any class of shares. Subject to any special rights attaching to, or terms of issue of, any shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. No dividend shall be payable to us in respect of any shares held by us as treasury shares.

We may, upon the recommendation of the board of directors, by ordinary resolution, direct payment of a dividend wholly or partly by the distribution of specific assets.

All dividends unclaimed for one year after having been declared may be invested or otherwise used at the directors' discretion for our benefit until claimed (subject as provided in the articles of association), and all dividends unclaimed after a period of 12 years from the date when such dividend became due for payment shall be forfeited and shall revert to us.

The board of directors may, if so authorized by ordinary resolution passed at any general meeting, offer any holders of the ordinary shares the right to elect to receive in lieu of that dividend an allotment of ordinary shares credited as fully paid.

We may cease to send any cheque or warrant by mail or may stop the transfer of any sum by any bank or other funds transfer system for any dividend payable on any of our shares, which is normally paid in that manner on those shares if in respect of at least two consecutive dividends the cheque or warrants have been returned undelivered or remain uncashed or the transfer has failed, or in respect of one dividend the cheque or warrant has been returned undelivered or remains uncashed or the transfer has failed and reasonable inquiries made by us have failed to establish any new address of the holder.

We or the directors may specify a "record date" on which persons registered as the holders of shares shall be entitled to receipt of any dividend.

Distribution of assets on winding-up. Subject to any special rights attaching to, or the terms of issue of any shares, on any winding-up of the company our surplus assets remaining after satisfaction of our liabilities will be distributed among our shareholders in proportion to their respective holdings of shares and the amounts paid up on those shares.

On any winding-up of the company (whether the liquidation is voluntary, under supervision or by the Court), the liquidator may with the authority of a special resolution of the company and any other sanction required by any relevant legislation, divide among our shareholders (excluding the company itself to the extent that it is a shareholder by virtue of its holding any shares or treasury shares) in specie or in kind the whole or any part of our assets (subject to any special rights attached to any shares issued by us in the future) and may for that purpose set such value as he deems fair upon any one or more class or classes of property and may determine how that division shall be carried out as between the shareholders or different classes of shareholders. The liquidator may, with that sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the shareholders as he with the relevant authority determines, and the liquidation of the company may be closed and the company dissolved, but so that no shareholders shall be compelled to accept any shares or other property in respect of which there is a liability.

Variation of rights. The rights or privileges attached to any class of shares may (unless otherwise provided by the terms of the issue of the shares of that class) be varied or abrogated with the consent in writing of the holders of three-fourths in requisite nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares) or with the approval of a special resolution passed at a separate general meeting of the shareholders of that class, but not otherwise.

Transfer of shares. All of our shares are in registered form and may be transferred by a transfer in any usual or common form or any form acceptable to the board of directors and permitted by the Companies Act 2006 and any other relevant legislation.

The board of directors may decline to register a transfer of a share that is:

- not fully paid or on which we have a lien;
- (except where uncertificated shares are transferred without a written instrument) not lodged duly stamped (if it is required to be stamped) at our registered office or at such other place as the board of directors may appoint;
- (except where a certificate has not been issued) not accompanied by the certificate of the share to which it relates or such other evidence reasonably required by the directors to show the right of the transferor to make the transfer;
- in respect of more than one class of share; or
- in the case of a transfer to joint holders of a share, the number of joint holders to whom the share is to be transferred exceeds four.

Capital variations. We may, by ordinary resolution, consolidate and divide all or any of our share capital into shares of a larger nominal amount than our existing shares or sub-divide our shares, or any of them, into shares of a smaller nominal amount than our existing shares. Subject to the provisions of the Companies Act 2006 and any other applicable legislation, we may by special resolution reduce our share capital, any capital redemption reserve fund or any share premium account and may redeem or purchase any of our own shares.

Pre-emption rights. There are no rights of pre-emption under our articles of association in respect of transfers of issued ordinary shares. In certain circumstances, our shareholders may have statutory pre-emption

rights under the Companies Act 2006 in respect of the allotment of new shares in the company. These statutory pre-emption rights, when applicable, would require us to offer new shares for allotment to existing shareholders on a pro rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory pre-emption rights would be set out in the documentation by which such ordinary shares would be offered to our shareholders. These statutory pre-emption rights may be disapplied by a special resolution passed by shareholders in a general meeting in accordance with the provisions of the Companies Act 2006.

Directors

Number. Unless and until we in a general meeting of our shareholders otherwise determine, the number of directors comprising our board of directors shall not be subject to any maximum but shall not be less than two.

Classified board of directors. Our board of directors will be divided into three classes, "Class I," whose initial term shall expire at the annual general meeting of the shareholders to be held in 2020, "Class II," whose initial term shall expire at the annual general meeting of the shareholders to be held in 2019, and "Class III", whose initial term shall expire at the annual general meeting of the shareholders to be held in 2018, with the classes as nearly equal in number as possible. At the closing of the offering made hereby, the Class I directors will be Hugh Griffith and Christopher Wood, the Class II directors will be Rafaèle Tordjman and James Healy, and the Class III directors will be Isaac Cheng and Martin Mellish.

Borrowing powers. Our board of directors may exercise all the powers of the company to borrow money, mortgage or charge all or any part or parts of its undertaking, property and uncalled capital, and issue debentures and other securities whether outright or as collateral security for any debt, liability or obligation of the company or of any third party.

Directors' interests and restrictions

(a) The board of directors may, in accordance with our articles of association and the requirements of the Companies Act 2006, authorize a matter proposed to us which would, if not authorized, involve a breach by a director of his or her duty under section 175 of the Companies Act 2006 to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with our interests. A director is not required, by reason of being a director, to account to the company for any remuneration or other benefit that he or she derives from a relationship involving a conflict of interest or possible conflict of interest that has been authorized by the board of directors.

(b) Subject to the provisions of any relevant legislation and provided that he or she has disclosed to the directors the nature and extent of any material interest of his or hers, a director may be a party to, or otherwise interested in, any transaction, contract or arrangement and that director shall not, by reason of his or her office, be accountable to the company for any benefit that he or she derives from any such transaction or arrangement; and no such transaction or arrangement shall be liable to be voided on the ground of any such interest or benefit.

(c) Except as provided in our articles of association, a director shall not vote at a meeting of the directors in respect of any transaction or arrangement or any other proposal whatsoever in which he or she has an interest that is to his or her knowledge material (together with any person connected with him or her within the meaning of section 252 of the Companies Act 2006), other than (i) an interest in shares or debentures or other securities of the company, (ii) where permitted by the terms of any authorization of a conflict of interest or by an ordinary resolution, or (iii) in the circumstances set out in paragraph (d) below, and shall not be counted in the quorum at a meeting in relation to any resolution on which he or she is not entitled to vote.

(d) A director shall (in the absence of some material interest other than those indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters:

(i) the giving of any guarantee, security or indemnity to him or her in respect of money lent to or an obligation incurred by him or her at the request of or for the benefit of us or any of our subsidiaries;

(ii) the giving to a third party of any guarantee, security or indemnity in respect of a debt or obligation of ours or any of our subsidiaries for which he himself or she herself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;

(iii) any proposal or contract concerning an offer of shares or debentures or other securities of or by the company or any of its subsidiaries, if he or she takes part because he or she is or may be entitled to participate as a holder of shares, debentures or other securities, or if he or she takes part in the underwriting, sub-underwriting or guarantee of the offer;

(iv) any proposal concerning any other company in which he or she is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he or she (together with persons connected with him or her) does not to his or her knowledge hold an interest in shares representing one percent or more of the issued shares of any class of such company or of the voting rights available to shareholders of the relevant company;

(v) any proposal concerning arrangements pursuant to which benefits are made available to our employees and which does not award him or her any privilege or benefit not generally awarded to the employees to whom such arrangement relates;

(vi) any proposal under which he or she may benefit concerning the giving of indemnities to our directors or other officers that the directors are empowered to give under our articles of association;

(vii) any proposal under which he or she may benefit concerning the purchase or maintenance of insurance for any of our directors or other officers; and

(viii) any proposal under which he or she may benefit concerning the provision to directors of funds to meet expenditures in defending proceedings.

(e) Where proposals are under consideration to appoint two or more directors to offices or employments with us or with any company in which we are interested or to fix or vary the terms of such appointments, such proposals may be divided and considered in relation to each director separately and in such case each of the directors concerned (if not debarred from voting under paragraph (d)(iv) above) shall be entitled to vote (and be counted in the quorum) in respect of each resolution, except that concerning his or her own appointment.

(f) If any question shall arise at any meeting as to the materiality of a director's interest or as to the entitlement of any director to vote and such question is not resolved by his or her agreeing voluntarily to abstain from voting, such question shall be referred to the chairman of the meeting (or where the interest concerns the chairman himself to the deputy chairman of the meeting) and his or her ruling in relation to any director shall be final and conclusive, except in a case where the nature or extent of the interests of the director concerned have not been fairly disclosed.

Remuneration

(a) Each of the directors (other than alternate directors) may (in addition to any amounts payable under paragraph (b) and (c) below or under any other provision of our articles of association) be paid out of the funds of the company such sum by way of directors' fees as the board of directors may from time to time determine.

(b) Any director who is appointed to hold any employment or executive office with us or who, by our request, goes or resides abroad for any purposes of the company or who otherwise performs services that in the opinion of the board of directors are outside the scope of his or her ordinary duties may be paid such additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the board of directors (or any duly authorized committee of the board of directors) may determine and either in addition to or in lieu of any remuneration provided for by or pursuant to any other article.

(c) Each director may be paid his or her reasonable traveling expenses (including hotel and incidental expenses) of attending and returning from meetings of the directors or committees of the board of directors or general meetings or any separate meeting of the holders of any class of our shares or any other meeting that as a director he or she is entitled to attend and shall be paid all expenses properly and reasonably incurred by him or her in the conduct of the company's business or in the discharge of his or her duties as a director.

Pensions and other benefits. The board of directors may exercise all the powers of the company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any director or former director, or any person who is or was at any time employed by, or held an executive or other office or place of profit in, the company or any body corporate that is or has been a subsidiary of the company or a predecessor of the business of the company or of any such subsidiary and for the families and persons who are or was a dependent of any such persons and for the purpose of providing any such benefits contribute to any scheme trust or fund or pay any premiums.

Appointment and retirement of directors

(a) The board of directors shall have power to appoint any person who is willing to act to be a director, either to fill a casual vacancy or as an additional director but so that the total number of directors shall not exceed the maximum number fixed (if any) by or in accordance with our articles of association. Any director so appointed shall retire from office at our annual general meeting following such appointment, and then shall be eligible for re-election for the remaining portion of the term of office of the Class to which he or she is eligible for election.

(b) Subject as provided in our articles of association, the shareholders may by ordinary resolution elect any person who is willing to act as a director either to fill a casual vacancy or as an addition to the existing directors or to replace a director removed from office under our articles of association but so that the total number of directors shall not at any one time exceed any maximum number fixed by or in accordance with our articles of association.

(c) Subject to paragraph (a) above and the initial terms described in "Description of Share Capital—Articles of Association—Directors—Classified board of directors", each director within each class shall retire at the third annual general meeting following the annual general meeting at which he or she was elected or last re-elected. Except where there is an increase in the number of directors (in which case the newly created directorships shall be apportioned by our board amongst our existing classes) or in accordance with paragraph (a) above, directors elected or re-elected at an annual general meeting shall be appointed to the class whose term expires at such meeting.

(d) A director retiring at an annual general meeting shall be eligible for re-election. If a retiring director is not re-elected, he or she shall hold office until the meeting elects someone in his or her place or, if it does not do so, until the end of the meeting.

Company name. The board of directors may resolve to change our company name.

Indemnity of officers. Subject to the provisions of any relevant legislation, each of our directors and other officers may be indemnified by us against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation to those duties. The Companies Act 2006 renders void an

indemnity for a director against any liability attaching to him or her in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he or she is a director as described in "—Differences in Corporate Law—Liability of Directors and Officers."

Shareholders' Meetings

Annual general meetings. We shall in each year hold an annual general meeting of our shareholders in addition to any other meetings in that year, and shall specify the meeting as such in the notice convening it. The annual general meeting shall be held at such time and place as the board of directors may appoint.

Calling of general meetings. The board of directors may call a general meeting of shareholders. The board of directors must call a general meeting if the shareholders and the Companies Act 2006 require them to do so. The arrangements for the calling of general meetings are described in "—Differences in Corporate Law—Notice of General Meetings" below.

Quorum of meetings. No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business but the absence of a quorum shall not preclude the appointment of a chairman, which shall not be treated as part of the business of a meeting. One or more qualifying persons present at a meeting and between them holding (or being the proxy or corporate representative of the holders of) at least one-third in number of the issued shares (excluding any shares held as treasury shares) entitled to vote on the business to be transacted are a quorum. A qualifying person for these purposes is an individual who is a shareholder, a person authorized to act as the representative of a shareholder (being a corporation) in relation to the meeting or a person appointed as proxy of a shareholder in relation to the meeting.

Other United Kingdom law considerations

Mandatory purchases and acquisitions. Pursuant to Sections 979 to 991 of the Companies Act 2006, where a takeover offer has been made for us and the offeror has acquired or unconditionally contracted to acquire not less than 90% in value of the shares to which the offer relates and not less than 90% of the voting rights carried by those shares, the offeror may give notice to the holder of any shares to which the offer relates which the offeror has not acquired or unconditionally contracted to acquire that he wishes to acquire, and is entitled to so acquire, those shares on the same terms as the general offer. The "squeeze-out" of the minority shareholders can be completed at the end of six weeks from the date the notice has been given, subject to the minority shareholders failing to successfully lodge an application to the court to prevent such squeeze-out any time prior to the end of those six weeks, following which the offeror can execute a transfer of the outstanding shares in its favor and pay the consideration to us, to be held on trust for the outstanding minority shareholders. The consideration offered to the outstanding minority shareholders whose shares are compulsorily acquired under the Companies Act 2006 must, in general, be the same as the consideration that was available under the takeover offer.

Sell-out. The Companies Act 2006 also gives our minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer for all of our shares. The holder of shares to which the offer relates, and who has not otherwise accepted the offer, may require the offeror to acquire his shares if, prior to the expiry of the acceptance period for such offer, (i) the offeror has acquired or agreed to acquire not less than 90% in value of our voting shares, and (ii) not less than 90% of the voting rights carried by those shares. The offeror may impose a time limit on the rights of minority shareholders to be bought out that is not less than three months after the end of the acceptance period. If a shareholder exercises his rights to be bought out, the offeror is required to acquire those shares on the terms of this offer or on such other terms as may be agreed.

Disclosure of interest in shares. Pursuant to Part 22 of the Companies Act 2006 and our articles of association, we are empowered to require, by notice in writing, any person whom we know to be, or have

reasonable cause to believe to be, interested in our shares, or at any time during the three years immediately preceding the date on which the notice is issued has been so interested, within a reasonable time to disclose to us particulars of that person's own interest and (so far as is within that person's knowledge) particulars of any other interest, agreement or arrangement relating to the exercise of any rights conferred by the holding of the shares that subsists or subsisted in those shares.

Under our articles of association, if a person defaults in supplying us with the required particulars in relation to the shares in question (referred to herein as "default shares"), the board of directors may by notice direct that:

- in respect of the default shares, the relevant shareholder shall not be entitled to vote or exercise any other right conferred by his holding shares in relation to general meetings; or
- where the default shares represent at least 0.25% of their class, (a) any dividend or other money payable in respect of the default shares shall be retained by us without liability to pay interest and, if applicable, any election to receive ordinary shares instead of money in respect of the default shares shall be ineffective; (b) no transfers of shares by the relevant shareholder other than certain approved transfers may be registered (unless the shareholder himself is not in default and the transfer does not relate to default shares) or (c) any shares held by the relevant shareholder in uncertificated form shall be converted into certificated form.

Purchase of own shares. Under English law, a limited company may only purchase its own shares out of its distributable profits or the proceeds of a fresh issue of shares made for the purpose of financing the purchase, provided it is are not restricted from doing so by its articles. A limited company may not purchase its own shares if, as a result of the purchase, there would no longer be any issued shares of the company other than redeemable shares or shares held as treasury shares. Shares must be fully paid in order to be repurchased.

We may purchase our own fully paid shares otherwise than on a recognized investment exchange pursuant to a purchase contract authorized by resolution of shareholders before the purchase takes place. Any authority will not be effective if any shareholder from whom we propose to purchase shares votes on the resolution and the resolution would not have been passed if he had not done so. The resolution authorizing the purchase must specify a date, not being later than five years after the passing of the resolution, on which the authority to purchase is to expire.

City code on takeovers and mergers, or the Takeover Code. As a public company incorporated in England and Wales with its place of central management and control in the United Kingdom, we are subject to the United Kingdom City Code on Takeovers and Mergers (referred to herein as the Takeover Code). The Takeover Code contains rules concerning the conduct of takeover offers for the company. For example, under Rule 9 of the Takeover Code, if a person:

(a) acquires an interest in our shares that, when taken together with shares in which he or persons acting in concert with him are interested, carries 30% or more of the voting rights of our shares; or

(b) who, together with persons acting in concert with him, is interested in shares that in the aggregate carry not less than 30% and not more than 50% of the voting rights in the company, acquires additional interests in shares that increase the percentage of shares carrying voting rights in which that person is interested;

the acquirer and, depending on the circumstances, its concert parties, would be required (except with the consent of the Takeover Panel) to make a cash offer for our outstanding shares at a price not less than the highest price paid for any interests in the shares by the acquirer or its concert parties during the previous 12 months. Some provisions in the Takeover Code might have anti-takeover effects that could discourage an acquisition of us by others even if an acquisition would be beneficial to our shareholders.

Distributions and dividends. Under the Companies Act 2006, before a company can lawfully make a distribution or dividend, it must ensure that it has sufficient distributable reserves (on a non-consolidated basis). The basic rule is that a company's profits available for the purpose of making a distribution are its accumulated, realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made. The requirement to have sufficient distributable reserves before a distribution or dividend can be paid applies to us and to each of our subsidiaries that has been incorporated under English law.

It is not sufficient that we, as a public company, have made a distributable profit for the purpose of making a distribution. An additional capital maintenance requirement is imposed on us to ensure that the net worth of the company is at least equal to the amount of its capital. A public company can only make a distribution:

(a) if, at the time that the distribution is made, the amount of its net assets (that is, the total excess of assets over liabilities) is not less than the total of its called up share capital and undistributable reserves; and

(b) if, and to the extent that, the distribution itself, at the time that it is made, does not reduce the amount of the net assets to less than that total.

Exchange controls. There are no governmental laws, decrees, regulations or other legislation in the United Kingdom that may affect the import or export of capital, including the availability of cash, cash equivalents and short-term deposits for use by us, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs, other than withholding tax requirements. There is no limitation imposed by English law or in the articles of association on the right of non-residents to hold or vote shares.

Differences in Corporate Law

The applicable provisions of the Companies Act 2006 differ from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain differences between the provisions of the Companies Act 2006 applicable to us and the Delaware General Corporation Law relating to shareholders' rights and protections. This summary is not intended to be a complete discussion of the respective rights and it is qualified in its entirety by reference to Delaware law and English law.

	England and Wales	Delaware
Number of Directors	Under the Companies Act 2006, a public limited company must have at least two directors and the number of directors may be fixed by or in the manner provided in a company's articles of association.	Under Delaware law, a corporation must have at least one director and the number of directors shall be fixed by or in the manner provided in the bylaws.
Removal of Directors	Under the Companies Act 2006, shareholders may remove a director without cause by an ordinary resolution (which is passed by a simple majority of those voting in person or by proxy at a general meeting) irrespective of any provisions of any service contract the director has with the company, provided 28 clear days' notice of the resolution has been given to the company and its shareholders. On receipt of notice of an intended resolution to remove a director, the company must forthwith send a copy of the notice to the director concerned. Certain other procedural requirements under the Companies Act 2006 must also be followed such as allowing the director to make representations against his or her removal either at the meeting or in writing.	Under Delaware law, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except (a) unless the certificate of incorporation provides otherwise, in the case of a corporation whose board of directors is classified, shareholders may effect such removal only for cause, or (b) in the case of a corporation having cumulative voting, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which he is a part.
Vacancies on the Board of Directors	Under English law, the procedure by which directors (other than a company's initial directors) are appointed is generally set out in a company's articles of association, provided that where two or more persons are appointed as directors of a public limited company by resolution of the shareholders at a general meeting, resolutions appointing each director must be voted on individually unless the shareholders present vote to	Under Delaware law, vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) or by a sole remaining director unless (a) otherwise provided in the certificate of incorporation or by-laws of the corporation or (b) the certificate of incorporation directs that a particular class of stock is to elect such director, in

	disapply this requirement without any vote in opposition.	which case a majority of the other directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.
Annual General Meeting	Under the Companies Act 2006, a public limited company must hold an annual general meeting in each six-month period following the company's annual accounting reference date.	Under Delaware law, the annual meeting of stockholders shall be held at such place, on such date and at such time as may be designated from time to time by the board of directors or as provided in the certificate of incorporation or by the bylaws.
General Meeting	Under the Companies Act 2006, a general meeting of the shareholders of a public limited company may be called by the directors. Shareholders holding at least 5% of the paid-up capital of the company carrying voting rights at general meetings can require the directors to call a general meeting and, if the directors fail to do so within a prescribed period, may themselves call a general meeting.	Under Delaware law, special meetings of the stockholders may be called by the board of directors or by such person or persons as may be authorized by the certificate of incorporation or by the bylaws.
Notice of General Meetings	Under the Companies Act 2006, 21 clear days' notice must be given for an annual general meeting and any resolutions to be proposed at the meeting. Subject to a company's articles of association providing for a longer period, at least 14 clear days' notice is required for any other general meeting. In addition, certain matters, such as resolutions to remove directors or auditors, require special notice, which is 28 clear days' notice. The shareholders of a company may in all cases consent to a shorter notice period, the proportion of shareholders' consent required being 100% of those entitled to attend and vote in the case of an annual general meeting and, in the case of any other general meeting, a majority in number of the shareholders having a right to attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares giving a right to attend and vote at the meeting.	Under Delaware law, unless otherwise provided in the certificate of incorporation or bylaws, written notice of any meeting of the stockholders must be given to each stockholder entitled to vote at the meeting not less than 10 nor more than 60 days before the date of the meeting and shall specify the place, date, hour, and purpose or purposes of the meeting.

Proxy	Under the Companies Act 2006, at any meeting of shareholders, a shareholder may designate another person to attend, speak and vote at the meeting on their behalf by proxy.	Under Delaware law, at any meeting of stockholders, a stockholder may designate another person to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A director of a Delaware corporation may not issue a proxy representing the director's voting rights as a director.
Pre-emptive Rights	Under the Companies Act 2006, "equity securities", being (i) shares in the company other than shares that, with respect to dividends and capital, carry a right to participate only up to a specified amount in a distribution ("ordinary shares") or (ii) rights to subscribe for, or to convert securities into, ordinary shares, proposed to be allotted for cash must be offered first to the existing equity shareholders in the company in proportion to the respective nominal value of their holdings, unless an exception applies or a special resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise (in each case in accordance with the provisions of the Companies Act 2006).	Under Delaware law, shareholders have no preemptive rights to subscribe to additional issues of stock or to any security convertible into such stock unless, and except to the extent that, such rights are expressly provided for in the certificate of incorporation.
Authority to Allot	Under the Companies Act 2006, the directors of a company must not allot shares or grant rights to subscribe for or to convert any security into shares unless an exception applies or an ordinary resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise (in each case in accordance with the provisions of the Companies Act 2006).	Under Delaware law, if the corporation's charter or certificate of incorporation so provides, the board of directors has the power to authorize the issuance of stock. It may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the corporation or any combination thereof. It may determine the amount of such consideration by approving a formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration is conclusive.
Liability of Directors and Officers	Under the Companies Act 2006, any provision (whether contained in a company's articles of association or	Under Delaware law, a corporation's certificate of incorporation may include a

	any contract or otherwise) that purports to exempt a director of a company, to any extent, from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void. Any provision by which a company directly or indirectly provides an indemnity, to any extent, for a director of the company or of an associated company against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he is a director is also void except as permitted by the Companies Act 2006, which provides exceptions for the company to (a) purchase and maintain insurance against such liability; (b) provide a "qualifying third party indemnity"(being an indemnity against liability incurred by the director to a person other than the company or an associated company as long as he is successful in defending the claim or criminal proceedings or in obtaining relief from the court); and (c) provide a "qualifying pension scheme indemnity"(being an indemnity against liability incurred in connection with the company's activities as trustee of an occupational pension plan).	provision eliminating or limiting the personal liability of a director to the corporation and its stockholders for damages arising from a breach of fiduciary duty as a director. However, no provision can limit the liability of a director for: • anybreach of the director's duty of loyalty to the corporation or its stockholders; • actsor omissions not in good faith or that involve intentional misconduct or a knowing violation of law; • intentionalor negligent payment of unlawful dividends or stock purchases or redemptions; or • anytransaction from which the director derives an improper personal benefit.
Voting Rights	Under English law, unless a poll is demanded by the shareholders of a company or is required by the chairman of the meeting or by the company's articles of association, shareholders shall vote on all resolutions on a show of hands. Under the Companies Act 2006, a poll may be demanded by (a) not fewer than five shareholders having the right to vote on the resolution; (b) any shareholder(s) representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution; or (c) any shareholder(s) holding shares in the company conferring a right to vote on the	Delaware law provides that, unless otherwise provided in the certificate of incorporation, each stockholder is entitled to one vote for each share of capital stock held by such stockholder.

	resolution being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right. A company's articles of association may provide more extensive rights for shareholders to call a poll. Under English law, an ordinary resolution is passed on a show of hands if it is approved by a simple majority (more than 50%) of the votes cast by shareholders present (in person or by proxy) and entitled to vote. If a poll is demanded, an ordinary resolution is passed if it is approved by holders representing a simple majority of the total voting rights of shareholders present, in person or by proxy, who, being entitled to vote, vote on the resolution. Special resolutions require the affirmative vote of not less than 75% of the votes cast by shareholders present, in person or by proxy, at the meeting.	
Shareholder Vote on Certain Transactions	The Companies Act 2006 provides for schemes of arrangement, which are arrangements or compromises between a company and any class of shareholders or creditors that are used in certain types of reconstructions, amalgamations, capital reorganizations or takeovers. These arrangements require: • theapproval at a shareholders' or creditors' meeting convened by order of the court, of a majority in number of shareholders or creditors representing 75% in value of the capital held by, or debt owed to, the class of shareholders, or class thereof present and voting, either in person or by proxy; and • theapproval of the court.	Generally, under Delaware law, unless the certificate of incorporation provides for the vote of a larger portion of the stock, completion of a merger, consolidation, sale, lease or exchange of all or substantially all of a corporation's assets or dissolution requires: • theapproval of the board of directors; and • approvalby the vote of the holders of a majority of the outstanding stock or, if the certificate of incorporation provides for more or less than one vote per share, a majority of the votes of the outstanding stock of a corporation entitled to vote on the matter.

Standard of Conduct for Directors	Under English law, a director owes various statutory and fiduciary duties to the company, including: • toact in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole, subject in certain specified circumstances to consider or act in the interests of the creditors of the company; • toavoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly conflicts, with the interests of the company; • toact in accordance with the company's constitution and only exercise his powers for the purposes for which they are conferred; • toexercise independent judgement; • toexercise reasonable care, skill and diligence; • notto accept benefits from a third party conferred by reason of his being a director or doing, or not doing, anything as a director; and • aduty to declare any interest that he has, whether directly or indirectly, in a proposed or existing transaction or arrangement with the company.	Delaware law does not contain specific provisions setting forth the standard of conduct of a director. The scope of the fiduciary duties of directors is generally determined by the courts of the State of Delaware. In general, directors have a duty to act without self-interest, on a well-informed basis and in a manner they reasonably believe to be in the best interest of the stockholders. Directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and to its shareholders. The duty of care generally requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. In general, but subject to certain exceptions, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Delaware courts have also imposed a heightened standard of conduct upon directors of a Delaware corporation who take any action designed to defeat a threatened change in control of the corporation. In addition, under Delaware law, when the board of directors of a Delaware corporation approves the sale or break-up of a corporation,

		the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the shareholders.
Shareholder Litigation	Under English law, generally, the company, rather than its shareholders, is the proper claimant in an action in respect of a wrong done to the company or where there is an irregularity in the company's internal management. Notwithstanding this general position, the Companies Act 2006 provides that (i) a court may allow a shareholder to bring a derivative claim (that is, an action in respect of and on behalf of the company) in respect of a cause of action arising from an act or omission involving a director's negligence, default, breach of duty or breach of trust and (ii) a shareholder may bring a claim for a court order where the company's affairs have been or are being conducted in a manner that is unfairly prejudicial to some or all of its shareholders.	Under Delaware law, a stockholder may initiate a derivative action to enforce a right of a corporation if the corporation fails to enforce the right itself. The complaint must: • statethat the plaintiff was a stockholder at the time of the transaction of which the plaintiff complains or that the plaintiffs shares thereafter devolved on the plaintiff by operation of law; and • allegewith particularity the efforts made by the plaintiff to obtain the action the plaintiff desires from the directors and the reasons for the plaintiff's failure to obtain the action; or • Statethe reasons for not making the effort. Additionally, the plaintiff must remain a stockholder through the duration of the derivative suit. The action will not be dismissed or compromised without the approval of the Delaware Court of Chancery.

DESCRIPTION OF AMERICAN DEPOSITARY SHARES

American Depositary Shares

Citibank, N.A., or Citibank, has agreed to act as the depositary for the ADSs. Citibank's depositary offices are located at 388 Greenwich Street, New York, New York 10013. ADSs represent ownership interests in securities that are on deposit with the depositary. ADSs may be represented by certificates that are commonly known as American Depositary Receipts, or ADRs. The depositary typically appoints a custodian to safekeep the securities on deposit. In this case, the custodian is Citibank, N.A., London Branch.

We have appointed Citibank as depositary pursuant to a deposit agreement. A copy of the deposit agreement is on file with the SEC under cover of a registration statement on Form F-6. You may obtain a copy of the deposit agreement from the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 and from the SEC's website (www.sec.gov). Please refer to registration number 333-220392 when retrieving such copy.

We are providing you with a summary description of the material terms of the ADSs and of your material rights as an owner of ADSs. Please remember that summaries by their nature lack the precision of the information summarized and that the rights and obligations of an owner of ADSs will be determined by reference to the terms of the deposit agreement and not by this summary. We urge you to review the deposit agreement in its entirety.

Each ADS represents the right to receive, and to exercise the beneficial ownership interests in, one ordinary share that is on deposit with the depositary or custodian. An ADS also represents the right to receive, and to exercise the beneficial interests in, any other property received by the depositary or the custodian on behalf of the owner of the ADS but that has not been distributed to the owners of ADSs because of legal restrictions or practical considerations. We and the depositary may agree to change the ADS-to-share ratio by amending the deposit agreement. This amendment may give rise to, or change, the depositary fees payable by ADS owners. The custodian, the depositary and their respective nominees will hold all deposited property for the benefit of the holders and beneficial owners of ADSs. The deposited property does not constitute the proprietary assets of the depositary, the custodian or their nominees. Beneficial ownership in the deposited property will under the terms of the deposit agreement be vested in the beneficial owners of the ADSs. The depositary, the custodian and their respective nominees will be the record holders of the deposited property represented by the ADSs for the benefit of the holders and beneficial owners of the corresponding ADSs. A beneficial owner of ADSs may or may not be the holder of ADSs. Beneficial owners of ADSs will be able to receive, and to exercise beneficial ownership interests in, the deposited property only through the registered holders of the ADSs, the registered holders of the ADSs (on behalf of the applicable ADS owners) only through the depositary, and the depositary (on behalf of the owners of the corresponding ADSs) directly, or indirectly, through the custodian or their respective nominees, in each case upon the terms of the deposit agreement.

If you become an owner of ADSs, you will become a party to the deposit agreement and therefore will be bound to its terms and to the terms of any ADR that represents your ADSs. The deposit agreement and the ADR specify our rights and obligations as well as your rights and obligations as owner of ADSs and those of the depositary. As an ADS holder you appoint the depositary to act on your behalf in certain circumstances. The deposit agreement and the ADRs are governed by New York law. However, our obligations to the holders of ordinary shares will continue to be governed by the laws of England and Wales, which may be different from the laws in the United States.

In addition, applicable laws and regulations may require you to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. You are solely responsible for complying with such reporting requirements and obtaining such approvals. Neither the depositary, the custodian, us or any of their or our respective agents or affiliates shall be required to take any actions whatsoever on your behalf to satisfy such

reporting requirements or obtain such regulatory approvals under applicable laws and regulations. You agree to comply with information requests from us pursuant to applicable laws, stock exchange rules and our Articles of Association. We may restrict transfers of ADSs and take other actions necessary to comply with any applicable ownership restrictions.

As an owner of ADSs, we will not treat you as one of our shareholders and you will not have direct shareholder rights. The depositary will hold on your behalf the shareholder rights attached to the ordinary shares underlying your ADSs. As an owner of ADSs you will be able to exercise the shareholders rights for the ordinary shares represented by your ADSs through the depositary only to the extent contemplated in the deposit agreement. To exercise any shareholder rights not contemplated in the deposit agreement you will, as an ADS owner, need to arrange for the cancellation of your ADSs and become a direct shareholder.

As an owner of ADSs, you may hold your ADSs either by means of an ADR registered in your name, through a brokerage or safekeeping account, or through an account established by the depositary in your name reflecting the registration of uncertificated ADSs directly on the books of the depositary (commonly referred to as the direct registration system or DRS). The direct registration system reflects the uncertificated (book-entry) registration of ownership of ADSs by the depositary. Under the direct registration system, ownership of ADSs is evidenced by periodic statements issued by the depositary to the holders of the ADSs. The direct registration system includes automated transfers between the depositary and The Depository Trust Company, or DTC, the central book-entry clearing and settlement system for equity securities in the United States. If you decide to hold your ADSs through your brokerage or safekeeping account, you must rely on the procedures of your broker or bank to assert your rights as ADS owner. Banks and brokers typically hold securities such as the ADSs through clearing and settlement systems such as DTC. The procedures of such clearing and settlement systems may limit your ability to exercise your rights as an owner of ADSs. Please consult with your broker or bank if you have any questions concerning these limitations and procedures. All ADSs held through DTC will be registered in the name of a nominee of DTC, which nominee will be the only “holder” of such ADSs for purposes of the deposit agreement and any applicable ADR. This summary description assumes you have opted to own the ADSs directly by means of an ADS registered in your name and, as such, we will refer to you as the “holder.” When we refer to “you,” we assume the reader owns ADSs and will own ADSs at the relevant time.

The registration of the ordinary shares in the name of the depositary or the custodian shall, to the maximum extent permitted by applicable law, vest in the depositary or the custodian the record ownership in the applicable ordinary shares with the beneficial ownership rights and interests in such ordinary shares being at all times vested with the beneficial owners of the ADSs representing the ordinary shares. The depositary or the custodian shall at all times be entitled to exercise the beneficial ownership rights in all deposited property, in each case only on behalf of the holders and beneficial owners of the ADSs representing the deposited property.

Dividends and Other Distributions

As a holder of ADSs, you generally have the right to receive the distributions we make on the securities deposited with the custodian. Your receipt of these distributions may be limited, however, by practical considerations and legal limitations. Holders of ADSs will receive such distributions under the terms of the deposit agreement in proportion to the number of ADSs held as of the specified record date, after deduction the applicable fees, taxes and expenses.

Distributions of Cash

Whenever we make a cash distribution for the securities on deposit with the custodian, we will deposit the funds with the custodian. Upon receipt of confirmation of the deposit of the requisite funds, the depositary will arrange for the funds to be converted into U.S. dollars and for the distribution of the U.S. dollars to the holders, subject to the laws and regulations of England and Wales. The conversion into U.S. dollars will take place only if practicable and if the U.S. dollars are transferable to the United States. The depositary will apply the same

method for distributing the proceeds of the sale of any property (such as undistributed rights) held by the custodian in respect of securities on deposit.

The distribution of cash will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. The depositary will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable holders and beneficial owners of ADSs until the distribution can be effected or the funds that the depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States.

Distributions of Shares

Whenever we make a free distribution of ordinary shares for the securities on deposit with the custodian, we will deposit the applicable number of ordinary shares with the custodian. Upon receipt of confirmation of such deposit, the depositary will either distribute to holders new ADSs representing the ordinary shares deposited or modify the ADS-to-ordinary shares ratio, in which case each ADS you hold will represent rights and interests in the additional ordinary shares so deposited. Only whole new ADSs will be distributed. Fractional entitlements will be sold and the proceeds of such sale will be distributed as in the case of a cash distribution.

The distribution of new ADSs or the modification of the ADS-to-ordinary shares ratio upon a distribution of ordinary shares will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes or governmental charges, the depositary may sell all or a portion of the new ordinary shares so distributed.

No such distribution of new ADSs will be made if it would violate a law (*e.g.*, the U.S. securities laws) or if it is not operationally practicable. If the depositary does not distribute new ADSs as described above, it may sell the ordinary shares received upon the terms described in the deposit agreement and will distribute the proceeds of the sale as in the case of a distribution of cash.

Distributions of Rights

Whenever we intend to distribute rights to purchase additional ordinary shares, we will give prior notice to the depositary and we will assist the depositary in determining whether it is lawful and reasonably practicable to distribute rights to purchase additional ADSs to holders.

The depositary will establish procedures to distribute rights to purchase additional ADSs to holders and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of ADSs, and if we provide all of the documentation contemplated in the deposit agreement (such as opinions to address the lawfulness of the transaction). You may have to pay fees, expenses, taxes and other governmental charges to subscribe for the new ADSs upon the exercise of your rights. The depositary is not obligated to establish procedures to facilitate the distribution and exercise by holders of rights to purchase new ordinary shares other than in the form of ADSs.

The depositary will *not* distribute the rights to you if:

- we do not timely request that the rights be distributed to you or we request that the rights not be distributed to you; or
- we fail to deliver satisfactory documents to the depositary; or
- it is not reasonably practicable to distribute the rights.

The depositary will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale will be distributed to holders as in the case of a cash distribution. If the depositary is unable to sell the rights, it will allow the rights to lapse.

Elective Distributions

Whenever we intend to distribute a dividend payable at the election of shareholders either in cash or in additional shares, we will give prior notice thereof to the depositary and will indicate whether we wish the elective distribution to be made available to you. In such case, we will assist the depositary in determining whether such distribution is lawful and reasonably practicable.

The depositary will make the election available to you only if it is reasonably practicable and if we have provided all of the documentation contemplated in the deposit agreement. In such case, the depositary will establish procedures to enable you to elect to receive either cash or additional ADSs, in each case as described in the deposit agreement.

If the election is not made available to you, you will receive either cash or additional ADSs, depending on what a shareholder in England and Wales would receive upon failing to make an election, as more fully described in the deposit agreement.

Other Distributions

Whenever we intend to distribute property other than cash, ordinary shares or rights to purchase additional ordinary shares, we will notify the depositary in advance and will indicate whether we wish such distribution to be made to you. If so, we will assist the depositary in determining whether such distribution to holders is lawful and reasonably practicable.

If it is reasonably practicable to distribute such property to you and if we provide all of the documentation contemplated in the deposit agreement, the depositary will distribute the property to the holders in a manner it deems practicable.

The distribution will be made net of fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes and governmental charges, the depositary may sell all or a portion of the property received.

The depositary will *not* distribute the property to you and will sell the property if:

- we do not request that the property be distributed to you or if we ask that the property not be distributed to you; or
- we do not deliver satisfactory documents to the depositary; or
- the depositary determines that all or a portion of the distribution to you is not reasonably practicable.

The proceeds of such a sale will be distributed to holders as in the case of a cash distribution.

Redemption

Whenever we decide to redeem any of the securities on deposit with the custodian, we will notify the depositary in advance. If it is practicable and if we provide all of the documentation contemplated in the deposit agreement, the depositary will provide notice of the redemption to the holders.

The custodian will be instructed to surrender the shares being redeemed against payment of the applicable redemption price. The depositary will convert the redemption funds received into U.S. dollars upon the terms of the deposit agreement and will establish procedures to enable holders to receive the net proceeds from the redemption upon surrender of their ADSs to the depositary. You may have to pay fees, expenses, taxes and other governmental charges upon the redemption of your ADSs. If less than all ADSs are being redeemed, the ADSs to be retired will be selected by lot or on a *pro rata* basis, as the depositary may determine.

Changes Affecting Ordinary Shares

The ordinary shares held on deposit for your ADSs may change from time to time. For example, there may be a change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of such ordinary shares or a recapitalization, reorganization, merger, consolidation or sale of assets of our company.

If any such change were to occur, your ADSs would, to the extent permitted by law, represent the right to receive the property received or exchanged in respect of the ordinary shares held on deposit. The depositary may in such circumstances deliver new ADSs to you, amend the deposit agreement, the ADRs and the applicable registration statement(s) on Form F-6, call for the exchange of your existing ADSs for new ADSs and take any other actions that are appropriate to reflect as to the ADSs the change affecting the ordinary shares. If the depositary may not lawfully distribute such property to you, the depositary may sell such property and distribute the net proceeds to you as in the case of a cash distribution.

Issuance of ADSs upon Deposit of Ordinary Shares

Upon closing of this offering, the ordinary shares being offered pursuant to this prospectus will be deposited by us with the custodian. Upon receipt of confirmation of such deposit, the depositary will issue ADSs to the underwriters named in this prospectus.

After the closing of this offering, the depositary may create ADSs on your behalf if you or your broker deposit ordinary shares with the custodian. The depositary will deliver these ADSs to the person you indicate only after you pay any applicable issuance fees and any charges and taxes payable for the transfer of the ordinary shares to the custodian and provide such documentation as may be required pursuant to the deposit agreement. Your ability to deposit ordinary shares and receive ADSs may be limited by U.S. and England and Wales legal considerations applicable at the time of deposit.

The issuance of ADSs may be delayed until the depositary or the custodian receives confirmation that all required approvals have been given and that the ordinary shares have been duly transferred to the custodian. The depositary will only issue ADSs in whole numbers.

When you make a deposit of ordinary shares, you will be responsible for transferring good and valid title to the depositary. As such, you will be deemed to represent and warrant that:

- the ordinary shares are duly authorized, validly allotted and issued, fully paid, not subject to any call for the payment of further capital and legally obtained;
- all preemptive (and similar) rights, if any, with respect to such ordinary shares have been validly waived, disapplied or exercised;
- you are duly authorized to deposit the ordinary shares;
- the ordinary shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and are not, and the ADSs issuable upon such deposit will not be, “restricted securities” (as defined in the deposit agreement); and
- the ordinary shares presented for deposit have not been stripped of any rights or entitlements.

If any of the representations or warranties are incorrect in any way, we and the depositary may, at your cost and expense, take any and all actions necessary to correct the consequences of the misrepresentations.

Transfer, Combination and Split Up of ADRs

As an ADR holder, you will be entitled to transfer, combine or split up your ADRs and the ADSs evidenced thereby. For transfers of ADRs, you will have to surrender the ADRs to be transferred to the depositary and also must:

- ensure that the surrendered ADR is properly endorsed or otherwise in proper form for transfer;

- provide such proof of identity and genuineness of signatures, and of such other matters contemplated in the deposit agreement, as the depositary deems appropriate;
- comply with applicable laws and regulations, including regulations imposed by us and the depositary consistent with the deposit agreement, the ADR and applicable law;
- provide any transfer stamps required by the State of New York or the United States; and
- pay all applicable fees, charges, expenses, taxes and other government charges payable by ADR holders pursuant to the terms of the deposit agreement, upon the transfer of ADRs.

To have your ADRs either combined or split up, you must surrender the ADRs in question to the depositary with your request to have them combined or split up, and you must pay all applicable fees, charges and expenses payable by ADR holders, pursuant to the terms of the deposit agreement, upon a combination or split up of ADRs.

Withdrawal of Ordinary Shares Upon Cancellation of ADSs

As a holder, you will be entitled to present your ADSs to the depositary for cancellation and then receive the corresponding number of underlying ordinary shares at the custodian's offices. Your ability to withdraw the ordinary shares held in respect of the ADSs may be limited by U.S. and England and Wales considerations applicable at the time of withdrawal. In order to withdraw the ordinary shares represented by your ADSs, you will be required to pay to the depositary the fees for cancellation of ADSs and any charges and taxes payable upon the transfer of the ordinary shares. You assume the risk for delivery of all funds and securities upon withdrawal. Once canceled, the ADSs will not have any rights under the deposit agreement.

If you hold ADSs registered in your name, the depositary may ask you to provide proof of identity and genuineness of any signature and such other documents as the depositary may deem appropriate before it will cancel your ADSs. The withdrawal of the ordinary shares represented by your ADSs may be delayed until the depositary receives satisfactory evidence of compliance with all applicable laws and regulations. Please keep in mind that the depositary will only accept ADSs for cancellation that represent a whole number of securities on deposit.

You will have the right to withdraw the securities represented by your ADSs at any time except as a result of:

- temporary delays that may arise because (i) the transfer books for the ordinary shares or ADSs are closed, or (ii) ordinary shares are immobilized on account of a shareholders' meeting or a payment of dividends;
- obligations to pay fees, taxes and similar charges; or
- restrictions imposed because of laws or regulations applicable to ADSs or the withdrawal of securities on deposit.

The deposit agreement may not be modified to impair your right to withdraw the securities represented by your ADSs except to comply with mandatory provisions of law.

Voting Rights

As a holder, you generally have the right under the deposit agreement to instruct the depositary to exercise the voting rights for the ordinary shares represented by your ADSs. The voting rights of holders of ordinary shares are described in "Description of Share Capital—Articles of Association" in this prospectus.

At our request, the depositary will distribute to you any notice of shareholders' meeting received from us together with information explaining how to instruct the depositary to exercise the voting rights of the securities represented by ADSs.

If the depositary timely receives voting instructions from a holder of ADSs, it will endeavor to vote the securities (in person or by proxy) represented by the holder's ADSs as follows:

- *In the event of voting by show of hands*, the depositary will vote (or cause the custodian to vote) all ordinary held on deposit at that time in accordance with the voting instructions received from a majority of holders of ADSs who provide timely voting instructions.
- *In the event of voting by poll*, the depositary will vote (or cause the custodian to vote) the ordinary shares held on deposit in accordance with the voting instructions received from the holders of ADSs.

The depositary will not join in demanding a vote by poll.

Securities for which no voting instructions have been received will not be voted (except as otherwise contemplated herein). If voting is by poll and the depositary does not receive timely voting instructions from a holder of ADSs, such holder shall be deemed to have instructed the depositary to give a discretionary proxy to a person designated by us to vote the deposited securities represented by such ADSs in any manner such person wishes, which may not be in your best interests; provided, however, that no such discretionary proxy shall be given with respect to any matter to be voted upon as to which we inform the depositary that (a) we do not wish such proxy to be given, (b) substantial opposition exists, or (c) the rights of holders of deposited securities may be adversely affected. Please note that the ability of the depositary to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure you that you will receive voting materials in time to enable you to return voting instructions to the depositary in a timely manner.

Fees and Charges

As an ADS holder, you will be required to pay the following fees under the terms of the deposit agreement:

Service	Fee
Issuance of ADSs (e.g., an issuance of ADS upon a deposit of ordinary shares or upon a change in the ADS(s)-to-ordinary shares ratio), excluding ADS issuances as a result of distributions of ordinary shares	Up to $0.05 per ADS issued
Cancellation of ADSs (e.g., a cancellation of ADSs for delivery of deposited property or upon a change in the ADS(s)-to-ordinary shares ratio)	Up to $0.05 per ADS cancelled
Distribution of cash dividends or other cash distributions (e.g., upon a sale of rights and other entitlements)	Up to $0.05 per ADS held
Distribution of ADSs pursuant to (i) share dividends or other distributions, or (ii) exercise of rights to purchase additional ADSs	Up to $0.05 per ADS held
Distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., upon a spin-off)	Up to $0.05 per ADS held
ADS services	Up to $0.05 per ADS held on the applicable record date(s) established by the depositary

As an ADS holder you will also be responsible to pay certain charges such as:

- taxes (including applicable interest and penalties) and other governmental charges;

- the registration fees as may from time to time be in effect for the registration of ordinary shares on the share register and applicable to transfers of ordinary shares to or from the name of the custodian, the depositary or any nominees upon the making of deposits and withdrawals, respectively;
- certain cable, telex and facsimile transmission and delivery expenses;
- the expenses and charges incurred by the depositary in the conversion of foreign currency;
- the fees and expenses incurred by the depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to ordinary shares, ADSs and ADRs; and
- the fees and expenses incurred by the depositary, the custodian, or any nominee in connection with the servicing or delivery of deposited property.

ADS fees and charges payable upon (i) the issuance of ADSs, and (ii) the cancellation of ADSs are charged to the person to whom the ADSs are issued (in the case of ADS issuances) and to the person whose ADSs are cancelled (in the case of ADS cancellations). In the case of ADSs issued by the depositary into DTC, the ADS issuance and cancellation fees and charges may be deducted from distributions made through DTC, and may be charged to the DTC participant(s) receiving the ADSs being issued or the DTC participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participants as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are charged to the holders as of the applicable ADS record date. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, holders as of the ADS record date will be invoiced for the amount of the ADS fees and charges and such ADS fees and charges may be deducted from distributions made to holders of ADSs. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC and the DTC participants in turn charge the amount of such ADS fees and charges to the beneficial owners for whom they hold ADSs.

In the event of refusal to pay the depositary fees or charges, the depositary may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees and charges from any distribution to be made to the ADS holder.

Certain of the depositary fees and charges (such as the ADS services fee) may become payable shortly after the closing of the ADS offering. Note that the fees and charges you may be required to pay may vary over time and may be changed by us and by the depositary. You will receive prior notice of such changes. The depositary may reimburse us for certain expenses incurred by us in respect of the ADR program, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary agree from time to time.

Amendments and Termination

We may agree with the depositary to modify the deposit agreement at any time without your consent. We undertake to give ADS holders 30 days' prior notice of any modifications that would materially prejudice any of their substantial rights under the deposit agreement. We will not consider to be materially prejudicial to your substantial rights any modifications or supplements that are reasonably necessary for the ADSs to be registered under the Securities Act or to be eligible for book-entry settlement, in each case without imposing or increasing the fees and charges you are required to pay. In addition, we may not be able to provide you with prior notice of any modifications or supplements that are required to accommodate compliance with applicable provisions of law.

You will be bound by the modifications to the deposit agreement if you continue to hold your ADSs after the modifications to the deposit agreement become effective. The deposit agreement cannot be amended to prevent you from withdrawing the ordinary shares represented by your ADSs (except as permitted by law).

We have the right to direct the depositary to terminate the deposit agreement. Similarly, the depositary may in certain circumstances on its own initiative terminate the deposit agreement. In either case, the depositary must give notice to the holders at least 30 days before termination. Until termination, your rights under the deposit agreement will be unaffected.

Termination

After termination, the depositary will continue to collect distributions received (but will not distribute any such property until you request the cancellation of your ADSs) and may sell the securities held on deposit. After the sale, the depositary will hold the proceeds from such sale and any other funds then held for the holders of ADSs in a non-interest bearing account. At that point, the depositary will have no further obligations to ADS holders other than to account for the funds then held for the holders of ADSs still outstanding (after deduction of applicable fees, taxes and expenses).

In connection with the termination of the deposit agreement, the depositary may, but shall not be obligated to, independently and without the need for any action by us, make available to holders a means to withdraw the ordinary shares and other deposited securities represented by their ADSs and to direct the deposit of such ordinary shares and other deposited securities into an unsponsored American depositary shares program established by the depositary, upon such terms and conditions as the depositary may deem reasonably appropriate, subject however, in each case, to satisfaction of the applicable registration requirements by the unsponsored American depositary shares program under the Securities Act, and to receipt by the depositary of payment of the applicable fees and charges of, and reimbursement of the applicable expenses incurred by, the depositary.

Books of Depositary

The depositary will maintain ADS holder records at its depositary office. You may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the ADSs and the deposit agreement.

The depositary will maintain in New York facilities to record and process the issuance, cancellation, combination, split-up and transfer of ADSs. These facilities may be closed from time to time, to the extent not prohibited by law.

Transmission of Notices, Reports and Proxy Soliciting Material

The depositary will make available for your inspection at its office all communications that it receives from us as a holder of deposited securities that we make generally available to holders of deposited securities. Subject to the terms of the deposit agreement, the depositary will send you copies of those communications or otherwise make those communications available to you if we ask it to.

Limitations on Obligations and Liabilities

The deposit agreement limits our obligations and the depositary's obligations to you. Please note the following:

- We and the depositary are obligated only to take the actions specifically stated in the deposit agreement without negligence or bad faith.

- The depositary disclaims any liability for any failure to carry out voting instructions, for any manner in which a vote is cast or for the effect of any vote, provided it acts in good faith and in accordance with the terms of the deposit agreement.
- The depositary disclaims any liability for any failure to accurately determine the lawfulness or practicality of any action, for the content of any document forwarded to you on our behalf or for the accuracy of any translation of such a document, for the investment risks associated with investing in ordinary shares, for the validity or worth of the ordinary shares, for any tax consequences that result from the ownership of ADSs or other deposited property, for the credit-worthiness of any third party, for allowing any rights to lapse under the terms of the deposit agreement, for the timeliness of any of our notices or for our failure to give notice or for any act or omission of or information provided by DTC or any DTC participant.
- The depositary shall not be liable for acts or omissions of any successor depositary in connection with any matter arising wholly after the resignation or removal of the depositary.
- We and the depositary will not be obligated to perform any act that is inconsistent with the terms of the deposit agreement.
- We and the depositary disclaim any liability if we or the depositary are prevented or forbidden from or subject to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement, by reason of any provision, present or future of any law or regulation, including regulations of any stock exchange or by reason of present or future provisions of our Articles of Association, or any provision of or governing the securities on deposit, or by reason of any act of God or war or other circumstances beyond our or the depositary's control.
- We and the depositary disclaim any liability by reason of any exercise of, or failure to exercise, any discretion provided for in the deposit agreement or in our Articles of Association or in any provisions of or governing the securities on deposit.
- We and the depositary further disclaim any liability for any action or inaction in reliance on the advice or information received from legal counsel, accountants, any person presenting ordinary shares for deposit, any holder of ADSs or authorized representatives thereof, or any other person believed by either of us in good faith to be competent to give such advice or information.
- We and the depositary also disclaim liability for the inability by any ADS holder or beneficiary owner to benefit from any distribution, offering, right or other benefit that is made available to holders of ordinary shares but is not, under the terms of the deposit agreement, made available to you.
- We and the depositary may rely without any liability upon any written notice, request or other document believed to be genuine and to have been signed or presented by the proper parties.
- We and the depositary also disclaim liability for any consequential or punitive damages for any breach of the terms of the deposit agreement.
- We and the depositary disclaim liability arising out of losses, liabilities, taxes, charges or expenses resulting from the manner in which a holder or beneficial owner of ADSs holds ADSs, including resulting from holding ADSs through a brokerage account.
- No disclaimer of any Securities Act liability is intended by any provision of the deposit agreement.

Pre-Release Transactions

Subject to the terms and conditions of the deposit agreement, the depositary may issue to broker/dealers ADSs before receiving a deposit of ordinary shares or release ordinary shares to broker/dealers before receiving ADSs for cancellation. These transactions are commonly referred to as "pre-release transactions," and are entered into between the depositary and the applicable broker/dealer. The deposit agreement limits the aggregate size of pre-release transactions (not to exceed 30% of the ordinary shares on deposit in the aggregate, such limit being

subject to change or disregard in the depositary's discretion) and imposes a number of conditions on such transactions (e.g., the need to receive collateral, the type of collateral required, the representations required from brokers, etc.). The depositary may retain the compensation received from the pre-release transactions.

Taxes

You will be responsible for the taxes and other governmental charges payable on the ADSs and the securities represented by the ADSs. We, the depositary and the custodian may deduct from any distribution the taxes and governmental charges payable by ADS holders and may sell any and all property on deposit to pay the taxes and governmental charges payable by ADS holders. You will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The depositary may refuse to issue ADSs, to deliver, transfer, split and combine ADRs or to release securities on deposit until all taxes and charges are paid by the applicable ADS holder. The depositary and the custodian may take reasonable administrative actions to obtain tax refunds and reduced tax withholding for any distributions on your behalf. However, you may be required to provide to the depositary and to the custodian proof of taxpayer status and residence and such other information as the depositary and the custodian may require to fulfill legal obligations. You are required to indemnify us, the depositary and the custodian for any claims with respect to taxes based on any tax benefit obtained for you.

Foreign Currency Conversion

The depositary will arrange for the conversion of all foreign currency received into U.S. dollars if such conversion is practical, and it will distribute the U.S. dollars in accordance with the terms of the deposit agreement. You may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not practical or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the depositary may take any of the following actions in its discretion:

- Convert the foreign currency to the extent practical and lawful and distribute the U.S. dollars to the ADS holders for whom the conversion and distribution is lawful and practical.
- Distribute the foreign currency to ADS holders for whom the distribution is lawful and practical.
- Hold the foreign currency (without liability for interest) for the applicable ADS holders.

Governing Law/Waiver of Jury Trial

The deposit agreement and the ADRs will be interpreted in accordance with the laws of the State of New York. The rights of holders of ordinary shares (including ordinary shares represented by ADSs) are governed by the laws of England and Wales.

AS A PARTY TO THE DEPOSIT AGREEMENT, YOU WAIVE YOUR RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF THE DEPOSIT AGREEMENT OR THE ADRs AGAINST US OR THE DEPOSITARY.

SHARES AND ADSs ELIGIBLE FOR FUTURE SALE

Before this offering, there has been no public market for our ordinary shares or ADSs. Upon completion of this offering, we will have outstanding 30,881,641 ordinary shares (including 6,667,000 ordinary shares in the form of ADSs), after giving effect to the sale of 6,667,000 ADSs in this offering, assuming no exercise by the underwriters of their over-allotment option to purchase additional ADSs from us. All of the ADSs to be sold in this offering will be freely tradable without restriction under the Securities Act unless purchased by our "affiliates," as that term is defined in Rule 144. ADSs or ordinary shares purchased by our affiliates may not be resold except pursuant to an effective registration statement or an exemption from registration, including the safe harbor under Rule 144 described below. In addition, following this offering, ordinary shares issuable pursuant to awards granted under our equity plans that are covered by a registration statement on Form S-8 will be freely tradable in the public market, subject to contractual and legal restrictions described below. The remaining ordinary shares outstanding after this offering will be "restricted securities," as that term is defined in Rule 144, and we expect that substantially all of these restricted securities will be subject to the lock-up agreements described below. These restricted securities may be sold in the public market only if the sale is registered or pursuant to an exemption from registration, such as Rule 144.

Lock-Up Agreements

All of our directors and officers and the other existing holders of substantially all of our equity securities have agreed, subject to limited exceptions, not to offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Securities and Exchange Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position, with respect to, any ADSs, ordinary shares or securities convertible into, or exercisable or exchangeable for ADSs or ordinary shares of the Company, or publicly announce an intention to effect any such transaction, for a period of 180 days after the date of this prospectus, without the prior written consent of the representatives of the underwriters; provided that the restrictions in such lock-up agreements do not apply to ADSs purchased in this offering, among other exceptions. See the section titled "Underwriting."

Rule 144

In general, a person who has beneficially owned our ordinary shares or ADSs that are restricted securities for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned our ordinary shares or ADSs that are restricted securities for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of our ordinary shares then outstanding, which will equal approximately 308,816 ordinary shares or ADSs immediately after this offering, assuming no exercise of the underwriters' over-allotment option; or
- the average weekly trading volume of our ordinary shares in the form of ADSs on the Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale; provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144 to the extent applicable.

Regulation S

Regulation S under the Securities Act provides that securities owned by any person may be sold without registration in the United States, provided that the sale is effected in an offshore transaction and no directed

selling efforts are made in the United States (as these terms are defined in Regulation S), subject to certain other conditions. In general, this means that our ordinary shares may be sold in some manner outside the United States without requiring registration in the United States.

Rule 701

In general, under Rule 701 of the Securities Act as currently in effect, each of our employees, consultants or advisors who purchases our ordinary shares from us in connection with a compensatory share plan or other written agreement executed prior to the completion of this offering is eligible to resell such ordinary shares in reliance on Rule 144, but without compliance with some of the restrictions, including the holding period, contained in Rule 144.

Equity Incentive Plans

We intend to file with the SEC a registration statement on Form S-8 under the Securities Act covering the ordinary shares or ADSs reserved for issuance under our equity incentive plans. The registration statement is expected to be filed and become effective as soon as practicable after the closing of this offering. Accordingly, ordinary shares or ADSs registered under the registration statement will be available for sale in the open market following its effective date, subject to Rule 144 volume limitations and the lock-up agreements described above, if applicable.

TAXATION

Material U.S. Federal Income Tax Considerations

The following discussion describes the material U.S. federal income tax consequences to U.S. Holders (as defined below) under present law of the purchase, ownership and disposition of the ADSs. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended or the Code for purposes of this discussion, in effect as of the date of this prospectus and on U.S. Treasury regulations in effect or, in some cases, proposed, as of the date of this prospectus, as well as judicial and administrative interpretations thereof available on or before such date. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below.

This discussion applies only to U.S. Holders that acquire the ADSs in the initial offering and hold the ADSs as capital assets for U.S. federal income tax purposes. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase the ADSs by any particular investor. In particular, this discussion does not address tax considerations applicable to a U.S. Holder that may be subject to special tax rules, including, without limitation, a dealer in securities or currencies, a trader in securities that elects to use a mark-to-market method of accounting for securities holdings, banks, thrifts, or other financial institutions, an insurance company, a tax-exempt organization, a person that holds the ADSs as part of a hedge, straddle or conversion transaction for tax purposes, a person whose functional currency for tax purposes is not the U.S. dollar, certain former citizens or residents of the United States or a person that owns directly, indirectly or constructively 10% or more of the company's voting shares. Moreover, this description does not address the U.S. federal estate, gift, or alternative minimum tax consequences, or any state, local or non-U.S. tax consequences, of the acquisition, ownership and disposition of the ADSs. In addition, the discussion does not address tax consequences to an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds the ADSs, or a partner in such partnership. The U.S. federal income tax treatment of each partner of such partnership generally will depend upon the status of the partner and the activities of the partnership. Prospective purchasers that are partners in a partnership holding the ADSs are urged to consult their own tax advisers.

The discussion below of the U.S. federal income tax consequences to "U.S. Holders" will apply to an investor that is a beneficial owner of ADSs and that is, for U.S. federal income tax purposes,

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) organized under the laws of the United States, any state therein or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (i) is subject to the primary supervision of a court within the United States and subject to the control of one or more U.S. persons for all substantial decisions or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

For U.S. federal income tax purposes, a beneficial owner of ADSs generally will be treated as the owner of the underlying ordinary shares represented by such ADSs. Accordingly, deposits or withdrawals of the underlying ordinary shares for ADSs generally will not be subject to U.S. federal income tax.

Prospective purchases are urged to consult their tax advisors about the application of the U.S. federal income tax rules to their particular circumstances as well as the state, local, non-U.S. and other tax consequences to them of the purchase, ownership and disposition of the ADSs.

Passive Foreign Investment Company Considerations

In general, a corporation organized outside the United States will be classified as a passive foreign investment company, or PFIC, in a particular taxable year if either (i) 75% or more of the corporation's gross

income for the taxable year is passive income or (ii) on average at least 50% of the value of the corporation's assets produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, certain dividends, interest, royalties, rents and gains from commodities and securities transactions and from the sale or exchange of property that gives rise to passive income.

In making this determination, we will be treated as earning our proportionate share of any income and owning our proportionate share of any assets of any corporation in which we hold a 25% or greater interest (by value). Because PFIC status must be determined annually based on tests which are factual in nature, our PFIC status will depend on our income, assets and activities each year, including whether certain research and development tax credits received from the government of the United Kingdom will constitute gross income, and, if they do, whether they will constitute passive income for purposes of the PFIC income test. If we are classified as a PFIC for any taxable year, a U.S. Holder may be able to mitigate some of the resulting adverse U.S. federal income tax consequences described below with respect to owning the ADSs, provided that such U.S. Holder is eligible to make, and validly makes a "mark-to-market" election, described below. In certain circumstances a U.S. Holder can make a "qualified electing fund" election to mitigate some of the adverse tax consequences described with respect to an ownership interest in a PFIC by including in income its share of the PFIC's income on a current basis. However, we do not currently intend to prepare or provide the information that would enable a U.S. Holder to make a qualified electing fund election.

In the event that we are classified as a PFIC in any year in which a U.S. Holder holds the ADSs, and the "mark-to-market" election described below is not made by a taxable U.S. Holder, a special tax regime will apply with respect to such U.S. Holder to both (a) any gain realized on the sale or other disposition of the ADSs and (b) any "excess distribution" by us to such U.S. Holder (generally, such U.S. Holder's ratable portion of distributions received by such U.S. Holder in any year which are greater than 125% of the average annual distribution received by such U.S. Holder in the shorter of the three preceding years or such U.S. Holder's holding period for the ADSs). Any gain recognized by such U.S. Holder on a sale or other disposition (including a pledge) of the ADSs and any excess distribution would be allocated ratably over such U.S. Holder's holding period for the ADSs. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and the interest charge generally applicable to underpayments of tax would be imposed on taxes deemed to have been payable in for the relevant taxable PFIC years. Classification as a PFIC may also have other adverse tax consequences, including, in the case of U.S. Holders that are individuals, the denial of a step-up in the basis of such U.S. Holder's ADSs at death.

Based on current estimates of our gross income and gross assets, the nature of our business and our current business plan (all of which are subject to change), we believe that we will not be classified as a PFIC for the year ending December 31, 2017. The PFIC tests must be applied each year, and it is possible that we may become a PFIC in a future year.

Mark-to-Market Election

If we are a PFIC for any taxable year during which a U.S. Holder holds the ADSs, then in lieu of being subject to the special tax regime and interest charge rules discussed above, a U.S. Holder may make an election to include gain on the ADSs as ordinary income under a mark-to-market method, provided that the ADSs are treated as "regularly traded" on a "qualified exchange." In general, the ADSs will be treated as "regularly traded" for a given calendar year if more than a *de minimis* quantity of the ADSs are traded on a qualified exchange on at least 15 days during each calendar quarter of such calendar year. Although the U.S. Internal Revenue Service, or the IRS, has not published any authority identifying specific exchanges that may constitute "qualified exchanges," Treasury Regulations provide that a qualified exchange is (a) a U.S. securities exchange that is registered with the Securities and Exchange Commission, or the SEC, (b) the U.S. market system established pursuant to section 11A of the Securities and Exchange Act of 1934, or (c) a non-U.S. securities exchange that is

regulated or supervised by a governmental authority of the country in which the market is located, provided that (i) such non-U.S. exchange has trading volume, listing, financial disclosure, surveillance and other requirements designed to prevent fraudulent and manipulative acts and practices, to remove impediments to and perfect the mechanism of a free and open, fair and orderly, market, and to protect investors; and the laws of the country in which such non-U.S. exchange is located and the rules of such non-U.S. exchange ensure that such requirements are actually enforced and (ii) the rules of such non-U.S. exchange effectively promote active trading of listed shares. We intend to apply to have our ADSs listed on the Nasdaq Global Market, which is a U.S. securities exchange that is registered with the SEC. However, no assurance can be given that the ADSs will meet the requirements to be treated as "regularly traded" for purposes of the mark-to-market election. In addition, because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the special tax regime with respect to such holder's indirect interest in any investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes, including shares in any future subsidiary of ours that is treated as a PFIC.

If a U.S. Holder makes this mark-to-market election, such U.S. Holder will be required in any year in which we are a PFIC to include as ordinary income the excess of the fair market value of such U.S. Holder's ADSs at year-end over its basis in those ADSs. In addition, the excess, if any, of such U.S. Holder's basis in the ADSs over the fair market value of such U.S. Holder's ADSs at year-end is deductible as an ordinary loss in an amount equal to the lesser of (i) the amount of the excess or (ii) the amount of the net mark-to-market gains that have been included in income in prior years by such U.S. Holder. Any gain recognized by such U.S. Holder upon the sale of such U.S. Holder's ADSs will be taxed as ordinary income in the year of sale. Amounts treated as ordinary income will not be eligible for the preferential tax rate applicable to qualified dividend income or long-term capital gains. A U.S. Holder's adjusted tax basis in the ADSs will be increased by the amount of any income inclusion and decreased by the amount of any deductions under the mark-to-market rules. If a U.S. Holder makes a mark-to market election, it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the ADSs are no longer regularly traded on a qualified exchange or the IRS consents to the revocation of the election.

Information Reporting Requirements

If we are a PFIC for any taxable year during which a U.S Holder holds the ADSs, each such U.S. Holder generally will be required to file an annual information return on IRS Form 8621 containing such information as the U.S. Treasury Department may require. The failure to file IRS Form 8621 could result in the imposition of penalties and the extension of the statute of limitations with respect to U.S. federal income tax.

The U.S. federal income tax rules relating to PFICs are complex. U.S. Holders are urged to consult their tax advisors with respect to the purchase, ownership and disposition of the ADSs, the availability of the mark-to-market election and whether making the election would be advisable in their particular circumstances, and the IRS information reporting obligations with respect to the purchase, ownership and disposition of the ADSs.

Taxation of Dividends and Other Distributions on the ADSs

Subject to the discussion above under the heading "—Passive Foreign Investment Company Considerations," generally, the gross amount of distributions made by us, if any, to a U.S. Holder with respect to the ADSs, before reduction for any non-U.S. taxes withheld therefrom, will be includable in gross income as a dividend to the extent that such distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent, if any, that the amount of any cash distribution exceeds our current and accumulated earnings and profits, it will be treated first as a tax-free return of such U.S. Holder's tax basis in its ADSs, and to the extent the amount of the distribution exceeds such U.S. Holder's tax basis, the excess will be taxed as capital gain. We do not intend to calculate our earnings and profits under U.S. federal income tax principles. Therefore, a U.S. Holder should expect that a distribution will generally

be treated as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above. A dividend in respect of the ADSs will not be eligible for the dividends-received deduction allowed to corporations in respect of dividends received from other U.S. corporations. Non-corporate U.S. Holders may qualify for the lower rates of taxation with respect to dividends on ADSs applicable to long term capital gains (i.e., gains from the sale of capital assets held for more than one year), provided that certain conditions are met, including certain holding period requirements and the absence of certain risk reduction transactions. However, such reduced rate shall not apply if we are a PFIC for the taxable year in which we pay a dividend, or were a PFIC in the preceding taxable year. As indicated in the section titled "Dividends and Dividend Policy" herein, we intend to retain any earnings for use in our business and do not currently intend to pay dividends on our ordinary shares.

Subject to the paragraph below, dividends generally will constitute income from sources outside the United States, which may be relevant in calculating a U.S. Holder's foreign tax credit limitation. Subject to certain conditions and limitations, non-U.S. tax withheld on dividends may be deducted from such U.S. Holder's taxable income or credited against such U.S. Holder's U.S. federal income tax liability. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends that we distribute generally should constitute "passive category income," or, in the case of certain U.S. Holders, "general category income." A foreign tax credit for foreign taxes imposed on distributions may be denied if a U.S. Holder does not satisfy certain minimum holding period requirements.

Notwithstanding the paragraph above, if 50% or more of the ADSs are treated as held by U.S. persons, we will be treated as a "U.S.-owned foreign corporation." In that case, dividends may be treated for U.S. foreign tax credit purposes as income from sources outside the United States to the extent paid out of our non-U.S. source earnings and profits, and as income from sources within the United States to the extent paid out of our U.S. source earnings and profits. There can be no assurance that we will not be treated as a U.S.-owned foreign corporation. If the dividends are taxed at the lower tax rates generally applicable to long-term capital gains (as discussed above), the amount of the dividend taken into account for purposes of calculating the U.S. foreign tax credit limitation will generally be limited to the gross amount of the dividend, multiplied by the preferential rate divided by the highest rate of tax normally applicable to dividends. The rules relating to the determination of the foreign tax credit are complex, and U.S. Holders are urged to consult their tax advisors to determine whether and to what extent such U.S. Holder will be entitled to a foreign tax credit.

Taxation of Dispositions of ADSs

Subject to the discussion above under "—Passive Foreign Investment Company Considerations," a U.S. Holder will recognize taxable gain or loss on any sale, exchange or other taxable disposition of an ADS equal to the difference between the amount realized (the amount of cash (in U.S. dollars) plus the fair market value of any property received) for the ADS and such U.S. Holder's tax basis (in U.S. dollars) in the ADS. The gain or loss will generally be capital gain or loss. Such capital gain or loss generally will be long-term capital gain taxable at a reduced rate for non-corporate U.S. Holders or long-term capital loss if, on the date of sale, exchange or other disposition, the ADSs were held by the U.S. Holder for more than one year. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as U.S. source income or loss for U.S. foreign tax credit purposes.

Disposition of Foreign Currency

U.S. Holders are urged to consult their tax advisors regarding the tax consequences of receiving, converting or disposing of any non-U.S. currency received as dividends on our ADSs or on the sale or retirement of an ADS.

Tax on Net Investment Income

Additional 3.8% Medicare tax on some or all of such U.S. Holder's "net investment income." Net investment income generally includes income from the ADSs unless such income is derived in the ordinary

course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). You should consult your tax advisors regarding the effect this Medicare tax may have, if any, on your acquisition, ownership or disposition of the ADSs.

Information Reporting and Backup Withholding

Distributions with respect to ADSs and proceeds from the sale, exchange or disposition of ADSs may be subject to information reporting to the IRS, and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status generally must provide such certification on U.S. Internal Revenue Service Form W-9. U.S. Holders are urged to consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability, and a U.S. Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by filing the appropriate claim for refund with the IRS and furnishing any required information.

Foreign Financial Asset Information Reporting

U.S. Holders who are either individuals or certain domestic entities may be required to submit certain information to the IRS with respect to such holder's beneficial ownership of the ADSs, if such ADSs are not held on such holder's behalf by a financial institution, as our ordinary shares are considered "specified foreign financial assets." This law also imposes penalties and potential other adverse tax consequences if a U.S. Holder is required to submit such information to the IRS and fails to do so. U.S. Holders are urged to consult their tax advisors regarding the potential information reporting obligations that may be imposed with respect to the ownership and disposition of the ADSs.

The above description is not intended to constitute a complete analysis of all tax consequences relating to acquisition, ownership and disposition of the ADSs. Prospective purchases are urged to consult their tax advisors concerning the tax consequences related their particular circumstances.

United Kingdom Tax Considerations

The following is a general summary of certain United Kingdom tax considerations relating to the ownership and disposal of the ADSs and does not address all possible tax consequences relating to an investment in the ADSs. It is based on current U.K. tax law and published HM Revenue & Customs, or HMRC, practice as of the date of this prospectus, both of which are subject to change, possibly with retrospective effect.

This United Kingdom taxation section is written on the basis that the company is and remains resident for tax purposes in the United Kingdom only and will therefore be subject to the U.K. tax regime and not the U.S. tax regime (save as discussed in the section titled "Material U.S. Federal Income Tax Considerations" above). On this basis, dividends paid by the company will be regarded as U.K. dividends, not U.S. dividends.

Except as provided otherwise, this summary applies only to persons who are resident (and, in the case of individuals, domiciled) in the United Kingdom for tax purposes and who are not resident for tax purposes in any other jurisdiction, and do not have a permanent establishment or fixed base in any other jurisdiction with which the holding of the ADSs is connected. Such persons are referred to herein as U.K. Holders. Persons (a) who are not resident (or, if resident, are not domiciled) in the United Kingdom for tax purposes, including those individuals and companies who trade in the United Kingdom through a branch, agency or permanent establishment in the United Kingdom to which the ADSs are attributable, or (b) who are resident or otherwise subject to tax in a jurisdiction outside the United Kingdom, are recommended to seek the advice of professional advisers in relation to their taxation obligations.

This summary is for general information only and is not intended to be, nor should it be considered to be, legal or tax advice to any particular investor. It does not address all of the tax considerations that may be relevant to specific investors in light of their particular circumstances or to investors subject to special treatment under U.K. tax law. In particular:

- this summary only applies to the absolute beneficial owners of the ADSs (and where the ADSs are not held through an Individual Savings Account or a Self-Invested Personal Pension) and any dividends paid in respect of the related ordinary shares or ADSs where the dividends are regarded for U.K. tax purposes as that person's own income (and not the income of some other person); and
- this summary: (a) only addresses the principal U.K. tax consequences for investors who hold the ADSs as capital assets, (b) does not address the tax consequences that may be relevant to certain special classes of investor such as dealers, brokers or traders in shares or securities and other persons who hold the ADSs otherwise than as an investment, (c) does not address the tax consequences for holders that are financial institutions, insurance companies, collective investment schemes, pension schemes, charities or tax-exempt organizations, (d) assumes that the holder is not an officer or employee of the company (or of any related company) and has not (and is not deemed to have) acquired the ADSs or related ordinary shares by virtue of an office or employment, and (e) assumes that the holder does not control or hold (and is not deemed to control or hold), either alone or together with one or more associated or connected persons, directly or indirectly (including through the holding of the related ordinary shares or ADSs), an interest of 10% or more in the issued share capital (or in any class thereof or ADSs), voting power, rights to profits or capital of the company, and is not otherwise connected with the company.

This summary further assumes that a holder of ADSs is the beneficial owner of the underlying ordinary shares for U.K. tax purposes.

Potential investors in ADSs should satisfy themselves prior to investing as to the overall tax consequences, including, specifically, the consequences under U.K. tax law and HMRC practice of the acquisition, ownership and disposal of ADSs in their own particular circumstances by consulting their own tax advisers. In particular, non-U.K. resident or domiciled persons are advised to consider the potential impact of any relevant double taxation agreements.

Taxation of dividends

Withholding Tax. Dividend payments in respect of ADSs or ordinary shares may be made without withholding or deduction for or on account of U.K. tax.

United Kingdom Income Tax. An individual U.K. Holder (being an individual who is resident for tax purposes in the United Kingdom) who receives a dividend from the company will generally be subject to income tax on the dividend. An individual U.K. Holder will generally pay tax at a rate of zero per cent on the first £5,000 of dividends received by such U.K. Holder. Finance Bill 2017, or the Bill, as published on September 8, 2017, contained a provision reducing the current £5,000 limit in respect of the tax-free allowance to £2,000 from April 2018. The Bill is expected to become law later this year although it is possible that this provision will either be amended or will not be retained in the resulting Finance Act.

An individual U.K. Holder who is subject to income tax at the basic rate will be liable to tax on the dividend at the rate of 7.5%. An individual U.K. Holder who is subject to income tax at the higher rate (but not the additional rate) will be liable to income tax on the dividend at the rate of 32.5% to the extent that such sum, when treated as the top slice of that holder's income, exceeds the threshold for higher rate income tax.

An individual U.K. Holder liable to income tax at the additional rate will be subject to income tax on the dividend at the rate of 38.1%. to the extent that the holder's income (including the dividend) exceeds the threshold for the additional rate.

An individual who is not a U.K. Holder (other than one carrying on a trade, profession or vocation in the United Kingdom) who is resident for tax purposes outside the United Kingdom will not have any U.K. tax to pay on dividends received from the company.

United Kingdom Corporation Tax. A U.K. Holder within the charge to U.K. corporation tax may be entitled to exemption from U.K. corporation tax in respect of dividend payments. If the conditions for the exemption are not satisfied, or such United Kingdom Holder elects for an otherwise exempt dividend to be taxable, United Kingdom corporation tax will be chargeable on the amount of any dividends. The main rate of United Kingdom corporation tax for the 2017/2018 tax year is 19%. If potential investors are in any doubt as to their position, they should consult their own professional advisers.

A corporate holder of ADSs that is not a U.K. Holder will not be subject to U.K. corporation tax on dividends received from the company, unless it carries on a trade in the United Kingdom through a permanent establishment to which the ordinary shares or the ADSs are attributable. In these circumstances, such holder may, depending on its individual circumstances and if the exemption from U.K. corporation tax discussed above does not apply, be chargeable to U.K. corporation tax on dividends received from the company.

Taxation of Disposals

U.K. Holders. A disposal or deemed disposal of ADSs by an individual U.K. Holder may, depending on his or her individual circumstances, give rise to a chargeable gain or to an allowable loss for the purpose of U.K. capital gains tax. The principal factors that will determine the capital gains tax position on a disposal of ADSs are the extent to which the holder realizes any other capital gains in the tax year in which the disposal is made, the extent to which the holder has incurred capital losses in that or any earlier tax year and the level of the annual allowance of tax-free gains in that tax year (the “annual exemption”). The annual exemption for the 2017/2018 tax year is £11,300. If, after all allowable deductions, an individual U.K. Holder who is subject to U.K. income tax at either the higher or the additional rate becomes liable to U.K. capital gains tax on the disposal of ordinary shares or ADSs, the current applicable rate would be 20%. For an individual U.K. Holder who is subject to U.K. income tax at the basic rate and, after all allowable deductions, liable to U.K. capital gains tax on such disposal, the current applicable rate would be 10%, save to the extent that any capital gains exceed the unused basic rate tax band. In that case, the current rate applicable to the excess would be 20%.

An individual U.K. Holder who ceases to be resident in the United Kingdom (or who fails to be regarded as resident in a territory outside the United Kingdom for the purposes of double taxation relief) for a period of less than five years and who disposes of his or her ADSs during that period of temporary non-residence may be liable to U.K. capital gains tax on a chargeable gain accruing on such disposal on his or her return to the United Kingdom (or upon ceasing to be regarded as resident outside the United Kingdom for the purposes of double taxation relief) (subject to available exemptions or reliefs).

A disposal of ADSs by a corporate U.K. Holder may give rise to a chargeable gain or an allowable loss for the purpose of U.K. corporation tax. Such a holder should be entitled to an indexation allowance, which applies to reduce capital gains to the extent that such gains arise due to inflation. The allowance may reduce a chargeable gain but will not create or increase an allowable loss.

Non-United Kingdom Holders. An individual holder who is not a U.K. Holder will not be liable to U.K. capital gains tax on capital gains realized on the disposal of his or her ADSs unless such holder carries on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency in the United Kingdom to which the ADSs are attributable. In these circumstances, such holder may, depending on his or her individual circumstances, be chargeable to U.K. capital gains tax on chargeable gains arising from a disposal of his or her ADSs.

A corporate holder of ADSs that is not a U.K. Holder will not be liable for U.K. corporation tax on chargeable gains realized on the disposal of its ADSs unless it carries on a trade in the United Kingdom through a permanent establishment to which the ADSs are attributable. In these circumstances, a disposal of ADSs by such holder may give rise to a chargeable gain or an allowable loss for the purposes of U.K. corporation tax.

Inheritance Tax

If, for the purposes of the Taxes on Estates of Deceased Persons and on Gifts Treaty 1978 between the United States and the United Kingdom (enacted in the United Kingdom as Statutory Instrument No 1454 of 1979), an individual holder is domiciled in the United States and is not a national of the United Kingdom, any ADSs beneficially owned by that holder will not generally be subject to U.K. inheritance tax on that holder's death or on a gift made by that holder during his or her lifetime, provided that any applicable U.S. federal gift or estate tax liability is paid, except where (i) the ADSs are part of the business property of a U.K. permanent establishment or pertain to a U.K. fixed base used for the performance of independent personal services; or (ii) the ADSs are comprised in a settlement unless, at the time the settlement was made, the settlor was domiciled in the United States and not a national of the United Kingdom.

Stamp Duty and Stamp Duty Reserve Tax

The statements below in relation to U.K. stamp duty and stamp duty reserve tax, or SDRT, apply irrespective of whether the relevant holder of ADSs is resident or domiciled in the United Kingdom.

Issue and Transfer of Ordinary Shares

Issue (including to a depositary or clearance service). No U.K. stamp duty is payable on the issue of the ordinary shares.

Based on current published HMRC practice and recent case law, there should be no SDRT payable on the issue of ordinary shares to a depositary receipt system or a clearance service. We understand that HMRC recognizes DTC as a clearance service for United Kingdom stamp duty and SDRT purposes.

Transfer to a depositary or clearance service. Transfers of ordinary shares to, or to a nominee or agent for, a person whose business is or includes issuing depositary receipts or the provision of clearance services, will generally be regarded by HMRC as subject to stamp duty or SDRT at a rate of 1.5% of the amount or value of the consideration or, in certain circumstances, the value of the ordinary shares transferred unless such transfer can be regarded as an integral part of an issue of share capital. We anticipate that this liability for stamp duty or SDRT would be borne by the person depositing the relevant shares in the depositary receipt system or clearance service. Transfers of ordinary shares between depositary receipt systems and clearance services will generally be exempt from stamp duty and SDRT unless, in the case of a clearance service, it has made an election under section 97A(1) Finance Act 1986. Our understanding is that DTC has not made such an election.

Transfer on sale. The transfer on sale of ordinary shares by a written instrument of transfer will generally be liable to U.K. stamp duty at the rate of 0.5% of the amount or value of the consideration for the transfer. The purchaser normally pays the stamp duty.

The transfer of ordinary shares within a depositary receipt system or clearance service should not be subject to stamp duty or SDRT, except where a clearance service has made an election under section 97A(1) Finance Act 1986. Our understanding is that DTC has not made such an election.

An agreement to transfer ordinary shares outside a depositary receipt system or a clearance service will generally give rise to a liability on the purchaser to SDRT at the rate of 0.5% of the amount or value of the

consideration. Such SDRT is payable on the seventh day of the month following the month in which the charge arises, but where an instrument of transfer is executed and duly stamped before the expiry of a period of six years beginning with the date of that agreement, (i) any SDRT that has not been paid ceases to be payable, and (ii) any SDRT that has been paid may be recovered from HMRC, generally with interest.

Transfer of ADSs

No U.K. stamp duty will be payable on a written instrument transferring an ADS or on a written agreement to transfer an ADS provided that the instrument of transfer or the agreement to transfer is executed and remains at all times outside the United Kingdom. Where these conditions are not met, the written instrument for the transfer of, or written agreement to transfer, an ADS could, depending on the circumstances, attract a charge to U.K. stamp duty at the rate of 0.5% of the value of the consideration given in connection with the transfer.

No SDRT will be payable in respect of an agreement to transfer an ADS.

UNDERWRITING

Citigroup Global Markets Inc., Jefferies LLC and Cowen and Company, LLC are acting as joint book-running managers for the offering and as representatives of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement, dated the date of this prospectus, each underwriter named below has severally agreed to purchase, and we have agreed to sell to that underwriter, the number of ADSs set forth opposite the underwriter's name.

Underwriter	Number of ADSs
Citigroup Global Markets Inc.	
Jefferies LLC	
Cowen and Company, LLC	
William Blair & Company, L.L.C.	
Total	

The underwriting agreement provides that the obligations of the underwriters to purchase the ADSs included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the ADSs (other than those covered by the over-allotment option described below) if they purchase any of the ADSs.

ADSs sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any ADSs sold by the underwriters to securities dealers may be sold at a discount from the initial public offering price not to exceed $ per ADS. If all the ADSs are not sold at the initial offering price, the underwriters may change the offering price and the other selling terms. The representatives have advised us that the underwriters do not intend to make sales to discretionary accounts. Delivery of the ADSs will be made against payment in New York, New York on or about , 2017, which may be the third business day following the date of pricing of the ADSs (T+3).

If the underwriters sell more ADSs than the total number set forth in the table above, we have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional ADSs at the initial public offering price less the underwriting discount. The underwriters may exercise the option solely for the purpose of covering over-allotments, if any, in connection with the offering. To the extent the option is exercised, each underwriter must purchase a number of additional ADSs approximately proportionate to that underwriter's initial purchase commitment set forth in the table above. Any ADSs issued or sold under the option will be issued and sold on the same terms and conditions as the other ADSs that are the subject of this offering.

We, our officers and directors and substantially all of our other securityholders have agreed that, subject to specified limited exceptions, for a period of 180 days from the date of this prospectus, we and they will not, without the prior written consent of Citigroup Global Markets Inc., Jefferies LLC and Cowen and Company, LLC, offer, sell, contract, sell, pledge or otherwise dispose of, including the filing of a registration statement in respect of, or hedge any of our ordinary shares, ADSs, or any securities convertible into, or exercisable or exchangeable for our ordinary shares; provided, that these restrictions do not apply to ADSs purchased in this offering, among other exceptions. Citigroup Global Markets Inc., Jefferies LLC and Cowen and Company, LLC in their sole discretion may release any of the securities subject to these lock-up agreements at any time, which, in the case of officers and directors, shall be with notice.

Prior to this offering, there has been no public market for our ADSs. Consequently, the initial public offering price for our ADSs will be determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price will be our results of operations, our current financial condition, our future prospects, our markets, the economic conditions in and future prospects for the industry in which we compete, our management, and currently prevailing general conditions in the equity securities markets, including current market valuations of publicly traded companies considered comparable to

our company. We cannot assure you, however, that the price at which our ADSs will sell in the public market after this offering will not be lower than the initial public offering price or that an active trading market in our ADSs will develop and continue after this offering.

We have applied to have our ADSs listed on the Nasdaq Global Market under the symbol "NCNA."

The following table shows the offering price, underwriting discounts and commissions that we are to pay to the underwriters and proceeds to us, before expenses, in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' over-allotment option.

		Total	
	Per ADS	No exercise	Full exercise
Public offering price	$	$	$
Underwriting discounts and commissions paid by us	$	$	$
Proceeds to us, before expenses	$	$	$

We estimate that expenses payable by us in connection with this offering, exclusive of underwriting discounts and commissions, will be approximately $2.3 million. We have also agreed to reimburse the underwriters for expenses in an amount up to $30,000 relating to the clearance of this offering with the Financial Industry Regulatory Authority, Inc.

In connection with this offering, the underwriters may purchase and sell ADSs in the open market. Purchases and sales of ADSs in the open market may include short sales, purchases to cover short positions, which may include purchases pursuant to the underwriters' over-allotment option, and other transactions that would stabilize, maintain or otherwise affect the price of our ADSs.

- Short sales involve secondary market sales by the underwriters of a greater number of ADSs than they are required to purchase in the offering.
  - "Covered" short sales are sales of ADSs in an amount up to the number of ADSs represented by the underwriters' over-allotment option.
  - "Naked" short sales are sales of ADSs in an amount in excess of the number of ADSs represented by the underwriters' over-allotment option.
- Covering transactions involve purchases of ADSs either pursuant to the underwriters' over-allotment option or in the open market in order to cover short positions.
  - To close a naked short position, the underwriters must purchase ADSs in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the ADSs in the open market after pricing that could adversely affect investors who purchase in this offering.
  - To close a covered short position, the underwriters must purchase ADSs in the open market or exercise their over-allotment option. In determining the source of ADSs to close the covered short position, the underwriters will consider, among other things, the price of ADSs available for purchase in the open market as compared to the price at which they may purchase ADSs through the over-allotment option.
- As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of our common stock on the Nasdaq Global Market, as long as such bids do not exceed a specified maximum, to stabilize the price of the shares of our common stock.

Certain of our existing shareholders have indicated an interest in purchasing an aggregate of up to approximately $40 million of our ADSs in this offering at the initial public offering price. However, because indications of interest are not binding agreements or commitments to purchase, the underwriters could determine

to sell more, fewer or no ADSs to any of these potential purchasers, and any of these potential purchasers could determine to purchase more, fewer or no ADSs in this offering. The underwriters will receive the same underwriting discount on any securities purchased by these investors as they will on any other securities sold to the public in this offering.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our ADSs. They may also cause the price of the ADSs to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on the NASDAQ Global Market, in the over-the-counter market or otherwise. The underwriters are not required to engage in any of these transactions and, may discontinue them at any time.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

A prospectus in electronic format may be made available on websites maintained by one or more of the underwriters or their respective affiliates. The representatives may agree with us to allocate a number of ADSs to underwriters for sale to their online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' or their respective affiliates' websites and any information contained in any other website maintained by any of the underwriters or their respective affiliates is not part of this prospectus, has not been approved or endorsed by us or the underwriters and should not be relied upon by investors in this offering.

Conflicts of Interest

The underwriters are full-service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The underwriters and their respective affiliates may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of ADSs described in this prospectus may not be made to the public in that relevant member state other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the relevant member state has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the

Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by us for any such offer; or

- in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of securities shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Directive.

For purposes of this provision, the expression an "offer of securities to the public" in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the relevant member state) and includes any relevant implementing measure in the relevant member state. The expression 2010 PD Amending Directive means Directive 2010/73/EU.

The sellers of the ADSs have not authorized and do not authorize the making of any offer of ADSs through any financial intermediary on their behalf, other than offers made by the underwriters with a view to the final placement of the ADSs as contemplated in this prospectus. Accordingly, no purchaser of the ADSs, other than the underwriters, is authorized to make any further offer of the ADSs on behalf of the sellers or the underwriters.

Notice to Prospective Investors in the United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order) or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a "relevant person"). This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

Notice to Prospective Investors in Australia

No prospectus or other disclosure document, as defined in the Corporations Act 2001 (Cth) of Australia, or Corporations Act, in relation to our ADSs has been or will be lodged with the Australian Securities & Investments Commission, or ASIC. This document has not been lodged with ASIC and is only directed to certain categories of exempt persons. Accordingly, if you receive this document in Australia:

(a) you confirm and warrant that you are either:

(i) a "sophisticated investor" under section 708(8)(a) or (b) of the Corporations Act;

(ii) a "sophisticated investor" under section 708(8)(c) or (d) of the Corporations Act and that you have provided an accountant's certificate to us which complies with the requirements of section 708(8)(c)(i) or (ii) of the Corporations Act and related regulations before the offer has been made;

(iii) a person associated with the company under section 708(12) of the Corporations Act; or

(iv) a "professional investor" within the meaning of section 708(11)(a) or (b) of the Corporations Act, and to the extent that you are unable to confirm or warrant that you are an exempt sophisticated investor, associated person or professional investor under the Corporations Act, any offer made to you under this document is void and incapable of acceptance; and

(b) you warrant and agree that you will not offer any of our ADSs for resale in Australia within 12 months of that ADSs being issued unless any such resale offer is exempt from the requirement to issue a disclosure document under section 708 of the Corporations Act.

Notice to Prospective Investors in Canada

The ADSs may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the ADSs must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* ("NI 33-105"), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Chile

The ADSs are not registered in the Securities Registry (Registro de Valores) or subject to the control of the Chilean Securities and Exchange Commission (Superintendencia de Valores y Seguros de Chile). This prospectus and other offering materials relating to the offer of the ADSs do not constitute a public offer of, or an invitation to subscribe for or purchase, the ADSs in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (Ley de Mercado de Valores) (an offer that is not "addressed to the public at large or to a certain sector or specific group of the public").

Notice to Prospective Investors in France

Neither this prospectus nor any other offering material relating to the ADSs described in this prospectus has been submitted to the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers*. The ADSs have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the ADSs has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- used in connection with any offer for subscription or sale of the ADSs to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*;

- to investment services providers authorized to engage in portfolio management on behalf of third parties; or
- in a transaction that, in accordance with article L.411-2-II-1° -or-2° -or 3° of the French *Code monétaire et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l'épargne*).
- The ADSs may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French *Code monétaire et financier*.

Notice to Prospective Investors in Hong Kong

The ADSs may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong) and no advertisement, invitation or document relating to the ADSs may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the ADSs which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

The ADSs offered in this prospectus have not been and will not be registered under the Financial Instruments and Exchange Law of Japan. The ADSs have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to or for the account of any resident of Japan (including any corporation or other entity organized under the laws of Japan), except (i) pursuant to an exemption from the registration requirements of the Financial Instruments and Exchange Law and (ii) in compliance with any other applicable requirements of Japanese law.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the ADSs may not be circulated or distributed, nor may the ADSs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA, in each case subject to compliance with conditions set forth in the SFA.

Where the ADSs are subscribed or purchased under Section 275 of the SFA by a relevant party which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

- securities of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the securities pursuant to an offer made under Section 275 of the SFA except:
- to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such securities of that corporation or such rights and interest in that trust are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
- where no consideration is or will be given for the transfer; or
- where the transfer is by operation of law.

EXPENSES OF THE OFFERING

We estimate that the expenses payable by us in connection with this offering, other than the underwriting discounts and commissions, will be as follows:

	Amount
SEC registration fee	$ 14,218
FINRA filing fee	18,901
Transfer agent and registrar fees and expenses	50,000
Nasdaq listing fee	150,000
Printing and engraving expenses	130,000
Legal fees and expenses	1,300,000
Accounting fees and expenses	450,000
Road show expenses	100,000
Miscellaneous costs	97,960
Total	$ 2,261,079

All amounts in the table are estimates except the SEC registration fee, the Nasdaq listing fee and the FINRA filing fee.

LEGAL MATTERS

We are being represented by Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. with respect to certain legal matters of U.S. federal securities and New York State law. The validity of our ordinary shares underlying the ADSs and certain matters governed by English law will be passed on for us by Bristows LLP. Legal counsel for the underwriters is Cooley LLP.

EXPERTS

The consolidated financial statements as of December 31, 2015 and December 31, 2016, and for each of the two years in the period ended December 31, 2016, appearing in this prospectus and the registration statement, have been audited by Ernst & Young LLP, an independent registered public accounting firm, as set forth in their report thereon appearing elsewhere, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The registered business address of Ernst & Young LLP is 10 George Street, Edinburgh, EH2 2DZ, United Kingdom.

SERVICE OF PROCESS AND ENFORCEMENT OF JUDGMENTS

We are a public limited company incorporated under the laws of England and Wales. Certain of our directors and executive officers and experts named in this prospectus reside outside of the United States, and all or a substantial portion of our assets and the assets of such persons are located outside the United States. As a result, it may be difficult for an investor to serve process on us or our directors and executive officers or to compel any of them to appear in Court in the United States or to enforce judgments obtained in U.S. courts against them or us, including judgments based on civil liability provisions of the securities laws of the United States. In addition, awards of punitive damages in actions brought in the United States or elsewhere may be unenforceable in the United Kingdom. An award for monetary damages under the U.S. securities laws would be considered punitive in the United Kingdom if it does not seek to compensate the claimant for loss or damage suffered and is intended to punish the defendant. The enforceability of any judgment in the United Kingdom will depend on the particular facts of the case as well as the laws and treaties in effect at the time. The United States and the United Kingdom do not currently have a treaty providing for the mutual recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters.

We have appointed Corporation Service Company as our authorized agent upon whom process may be served in any action instituted in any U.S. federal or state court having subject matter jurisdiction in the Borough of Manhattan in New York, New York, arising out of or based upon the ADSs, the deposit agreement or the underwriting agreement related to the ADSs.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form F-1, including amendments and relevant exhibits and schedules, under the Securities Act. This prospectus, which constitutes a part of the registration statement, summarizes material provisions of contracts and other documents that we refer to in the prospectus. Since this prospectus does not contain all of the information contained in the registration statement, you should read the registration statement and its exhibits and schedules for further information with respect to us and the ADSs. You may review and copy the registration statement, reports and other information we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You may also request copies of these documents upon payment of a duplicating fee by writing to the SEC. For further information on the public reference facility, please call the SEC at 1-800-SEC-0330. Our SEC filings, including the registration statement, are also available to you on the SEC's website at http://www.sec.gov.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

NUCANA BIOMED LIMITED
UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30,

	Notes	2017	2016
		(in thousands except per share data)	
		£	£
Research and development expenses		(3,689)	(3,784)
Administrative expenses		(637)	(908)
Initial public offering related expenses	3	(1,066)	—
Net foreign exchange (losses) gains		(161)	318
Operating loss		(5,553)	(4,374)
Finance income		91	167
Loss before tax		**(5,462)**	**(4,207)**
Income tax credit	4	1,077	1,090
Loss for the period		**(4,385)**	**(3,117)**
Basic and diluted loss per share	5	(0.18)	(0.13)

The accompanying notes form an integral part of these unaudited consolidated financial statements.

NUCANA BIOMED LIMITED
UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS ENDED JUNE 30,

	2017	2016
	(in thousands)	
	£	£
Loss for the period	(4,385)	(3,117)
Other comprehensive expense:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	(1)	4
Other comprehensive (expense) income for the period	(1)	4
Total comprehensive loss for the period	**(4,386)**	**(3,113)**
Attributable to:		
Equity holders of the Company	**(4,386)**	**(3,113)**

The accompanying notes form an integral part of these unaudited consolidated financial statements.

NUCANA BIOMED LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT

	Notes	June 30, 2017 (unaudited)	December 31, 2016
		(in thousands)	
		£	£
Assets			
Non-current assets			
Intangible assets	6	1,791	1,377
Property, plant and equipment		17	18
		1,808	**1,395**
Current assets			
Prepayments, accrued income and other receivables		2,882	3,634
Current income tax receivable		3,035	2,195
Cash and cash equivalents	7	15,918	19,990
		21,835	**25,819**
Total assets		**23,643**	**27,214**
Equity and liabilities			
Capital and reserves			
Share capital and share premium	10	967	43,433
Other reserves	11	47,061	4,064
Accumulated deficit		(26,641)	(22,256)
Total equity attributable to equity holders		**21,387**	**25,241**
Current liabilities			
Trade payables		570	728
Payroll taxes and social security		66	61
Accrued expenditure		1,620	1,184
		2,256	**1,973**
Total liabilities		**2,256**	**1,973**
Total equity and liabilities		**23,643**	**27,214**

The accompanying notes form an integral part of these unaudited consolidated financial statements.

NUCANA BIOMED LIMITED
UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30,

	Share capital	Share premium	Own Share reserve	Share option reserve	Foreign currency translation reserve	Capital reserve	Accumulated deficit	Total equity attributable to equity holders
					(in thousands)			
	£	£	£	£	£	£	£	£
Balance at December 31, 2015	**659**	**42,574**	**(339)**	**3,291**	**(1)**	**—**	**(16,224)**	**29,960**
Loss for the period	—	—	—	—	—	—	(3,117)	(3,117)
Other comprehensive income for the period	—	—	—	—	4	—	—	4
Total comprehensive income (loss) for the period	—	—	—	—	4	—	(3,117)	(3,113)
Share-based payments	—	—	—	139	—	—	—	139
Balance at June 30, 2016	**659**	**42,574**	**(339)**	**3,430**	**3**	**—**	**(19,341)**	**26,986**
Balance at December 31, 2016	**663**	**42,770**	**(339)**	**4,406**	**(3)**	**—**	**(22,256)**	**25,241**
Loss for the period	—	—	—	—	—	—	(4,385)	(4,385)
Other comprehensive loss for the period	—	—	—	—	(1)	—	—	(1)
Total comprehensive loss for the period	—	—	—	—	(1)	—	(4,385)	(4,386)
Share-based payments	—	—	—	532	—	—	—	532
Reduction in share premium	—	(42,466)	—	—	—	42,466	—	—
Balance at June 30, 2017	**663**	**304**	**(339)**	**4,938**	**(4)**	**42,466**	**(26,641)**	**21,387**

The accompanying notes form an integral part of these unaudited consolidated financial statements.

NUCANA BIOMED LIMITED
UNAUDITED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30,

	2017	2016
	(in thousands)	
	£	£
Cash flows from operating activities		
Loss for the period	(4,385)	(3,117)
Adjustments for:		
Income tax credit	(1,077)	(1,090)
Amortization and depreciation	84	28
Finance income	(91)	(167)
Share-based payments	532	139
	(4,937)	(4,207)
Movements in working capital:		
Decrease (increase) in other receivables	746	(179)
(Decrease) increase in trade payables	(155)	170
Increase (decrease) in payroll taxes, social security and accrued expenditure	441	(164)
Movements in working capital	1,032	(173)
Cash used in operations	**(3,905)**	**(4,380)**
Corporation tax	235	—
Net cash used in operating activities	**(3,670)**	**(4,380)**
Cash flows from investing activities		
Interest received	98	235
Payments for office and computer equipment	(5)	(15)
Payments for intangible assets	(492)	(85)
Proceeds from short-term deposits	—	5,075
Net cash (used in) provided by investing activities	**(399)**	**5,210**
Net (decrease) increase in cash	(4,069)	830
Cash and cash equivalents at beginning of period	**19,990**	**14,112**
Foreign currency translation differences	(3)	9
Cash and cash equivalents at end of period	**15,918**	**14,951**

The accompanying notes form an integral part of these unaudited consolidated financial statements.

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

NuCana BioMed Limited ("NuCana" or the "Company") is a clinical-stage biopharmaceutical company developing a portfolio of new medicines to treat cancer. We are harnessing the power of phosphoramidate chemistry to generate new medicines called ProTides. These compounds have the potential to improve cancer treatment by enhancing the efficacy and safety of several current standards of care.

The Company is registered in England and Wales and domiciled in the United Kingdom.

The Company has two wholly owned subsidiaries, NuCana, Inc. and NuCana BioMed Trustee Company Limited.

2. Significant accounting policies

Basis of preparation

The interim condensed consolidated financial statements for the six months ended June 30, 2017 have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34"). The accounting policies and methods of computation applied in the preparation of the interim financial statements are consistent with those applied in the Company's annual financial statements for the year ended December 31, 2016.

The Company's financial statements comprise the financial statements of the Company and its subsidiaries at June 30, 2017. The financial statements are presented in pounds sterling, which is also the Company's functional currency. All values are rounded to the nearest thousand, except where otherwise indicated.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2016.

Going concern

In common with many companies in the biopharmaceutical sector, the Company incurs significant expenditure in its early years as it researches and develops its potential products for market.

The board of directors, having reviewed the operating budgets and development plans, consider that the Company has adequate resources to continue in operation for the foreseeable future. The board of directors is therefore satisfied that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements. The Company believes that its cash and cash equivalents of £15.9 million at June 30, 2017, will be sufficient to fund its current operating plan for at least the next 12 months. As the Company continues to incur losses, the transition to profitability is dependent upon the successful development, approval and commercialization of its product candidates and achieving a level of revenues adequate to support its cost structure. The Company may never achieve profitability, and unless and until it does, it will continue to need to raise additional capital.

The Company intends to fund future operations through additional equity offerings and may seek additional capital through arrangements from other sources. There can be no assurances, however, that additional funding will be available on acceptable terms.

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Initial public offering ("IPO") related expenses

Incremental costs incurred and directly attributable to the expected offering of securities are deferred and deducted from the related proceeds of the offering. The net amount will be recorded as contributed shareholders' equity in the period when such shares are issued. Other costs incurred in the offering will be expensed as incurred and included in IPO related costs.

Segment reporting

The Company operates in one operating segment. The Company's chief operating decision maker (the "CODM"), its Chief Executive Officer, manages the Company's operations on an integrated basis for the purposes of allocating resources. The Company's principal operations and decision-making functions are located in the United Kingdom. The CODM makes decisions on a global basis from there. Accordingly, the Company has determined that it operates in a single reporting segment.

3. IPO related expenses

	For Six Months ended June 30,	
	2017	2016
	(in thousands)	
	£	£
IPO related expenses	1,066	—

IPO related expenses primarily relates to legal, accounting and other advisors' fees in relation to the Company's anticipated listing on the Nasdaq Global Market.

4. Income tax credit

The Company's consolidated effective tax rate for the full financial year 2017 is estimated at 19.7% (December 31, 2016: 25.9%). Therefore, the consolidated effective tax rate used for the six months ended June 30, 2017 was 19.7% (June 30, 2016: 25.9%). The income tax credit for the six months ended June 30, 2017 is £1.1 million (June 30, 2016: £1.1 million).

There is no deferred tax charge for the six months ended June 30, 2017 (June 30, 2016: £nil).

5. Basic and diluted loss per share

	For Six Months ended June 30,	
	2017	2016
	(in thousands)	
	£	£
Loss for the period	**(4,385)**	**(3,117)**
Basic and diluted weighted average number of shares	24,185	24,101
Basic and diluted loss per share	**(0.18)**	**(0.13)**

Basic loss per share is calculated by dividing the loss for the period attributable to the equity holders of the Company by the weighted average number of shares outstanding during the period.

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. Basic and diluted loss per share (continued)

The dilutive effect of potential shares through equity settled transactions were considered to be anti-dilutive as they would have decreased the loss per share and were therefore excluded from the calculation of diluted loss per share.

6. Intangible assets

Intangible assets comprise patents with a carrying value of £1.7 million as of June 30, 2017 (as of December 31, 2016: £1.4 million) and computer software with a carrying value of £0.1 million as of June 30, 2017 (as of December 31, 2016: £7,000).

During the six months ended June 30, 2017, the Company acquired intangible assets with a cost of £0.5 million. The additions comprised £0.4 million in relation to patents and £0.1 million in relation to computer software (year ended December 31, 2016: £0.5 million on patents, £10,602 on computer software).

There were no disposals of assets in the six months ended June 30, 2017 (year ended December 31, 2016: £nil).

7. Cash and cash equivalents

	June 30, 2017 (unaudited)	December 31, 2016
	(in thousands)	
	£	£
Cash and cash equivalents	15,918	19,990

Cash and cash equivalents comprise cash at bank with maturity of three months or less, which are subject to insignificant risk of changes in value. Cash at bank earns interest at fixed or variable rates based on the terms agreed for each account.

Cash and cash equivalents are measured at fair value and classified as Level 1 under the fair value level hierarchy.

8. Share-based payments

The Company has three share-based payment plans for employees, directors and consultants. The share options granted will be settled in equity.

On May 16, 2017, 23,250 share options were granted to a director under the U.K. share-based payment agreement, which will vest equally over a period of four years if the option holder remains a director of the Company. Upon vesting, each option allows the holder to purchase one ordinary share at a specified option price determined at grant date.

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. Share-based payments (continued)

The following principal assumptions were used in the valuation for share options:

	Options granted on May 16, 2017
Vesting dates	Oct 28, 2017
	Oct 28, 2018
	Oct 28, 2019
	Oct 28, 2020
Volatility	66.56%
Dividend yield	0%
Risk-free investment rate	0.12%
Fair value of option at grant date	£ 7.70
Fair value of share at grant date	£ 11.08
Exercise price at date of grant	£ 4.00
Lapse date	May 16, 2027
Expected option life (years)	2.63
Number of options granted	23,250

The fair values of options granted were determined using the Black-Scholes model that takes into account factors specific to the share incentive plan such as the assumption that the options will be exercised at a single point in time, in December 2019. This has been incorporated into the measurement by means of actuarial modelling. As NuCana BioMed Limited was unlisted on the grant date of the options, it was not possible to derive historical volatility from the Company's own share price. The underlying expected volatility was therefore determined by using the historical volatility of similar listed entities as a proxy. The volatility percentage applied to each tranche is the average of the historical volatility of comparable companies to NuCana BioMed Limited.

The weighted average remaining contractual life of the share options outstanding as at June 30, 2017 is 5.71 years (June 30, 2016: 6.49).

For the six months ended June 30, 2017, the Company has recognized £0.5 million of share-based payment expense in the statement of operations (June 30, 2016: £0.1 million).

9. Related party disclosures

Compensation of key management personnel of the Company

	For Six Months ended June 30,	
	2017	2016
	(in thousands)	
	£	£
Short-term employee benefits	446	612
Severance payments	—	150
Pension and other benefits	29	26
Share-based payments	355	123
	830	**911**

The amounts disclosed in the table above are the amounts recognized as an expense during the reporting period related to key management personnel.

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

10. Share capital and share premium

	June 30, 2017 (unaudited)	December 31, 2016
	(in thousands)	
	£	£
Share capital	663	663
Share premium	304	42,770
	967	**43,433**

Issued share capital comprises:	June 30, 2017 (unaudited)	December 31, 2016
	Number (in thousands)	
Ordinary shares of £0.01 each	6,239	6,239
Founder Ordinary 1 shares of £0.01 each	1,000	1,000
Founder Ordinary 2 shares of £0.01 each	1,000	1,000
Series A shares of £0.01 each	7,483	7,483
Series B shares of £0.001 each	8,463	8,463
	24,185	**24,185**

The table above does not total due to rounding.

In order to facilitate the Company being re-registered as a public company, the directors of the Company signed a solvency statement on June 29, 2017 with the agreement of the shareholders and undertook a capital reduction reducing its share premium by £42.5 million, from £42.8 million to £0.3 million with the amount by which the share premium was reduced credited to the Company's capital reserve.

	No. of shares	Share capital	Share premium
		(in thousands)	
		£	£
Fully paid shares			
Balance at December 31, 2016	24,185	663	42,770
Reduction in share premium account	—	—	(42,466)
Balance at June 30, 2017	**24,185**	**663**	**304**

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

11. Other reserves

	June 30, 2017	December 31, 2016
	(unaudited) (in thousands)	
Own share reserve	(339)	(339)
Foreign currency translation reserve	(4)	(3)
Share option reserve		
Balance at beginning of year	4,406	3,291
Share-based payments	532	1,132
Exercise of share options	—	(17)
Balance at end of year	**4,938**	**4,406**
Capital reserve		
Balance at beginning of year	—	—
Reduction in share premium account	42,466	—
Balance at end of year	**42,466**	**—**
Total other reserves	**47,061**	**4,064**

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations.

Own share reserve

The own share reserve represents the cost of 500,000 shares of NuCana BioMed Limited purchased by NuCana Employee Benefit Trust and that may, at the discretion of the trustee, be used to satisfy future exercise of options under the Company's share options plan.

Share option reserve

The share option reserve is used to recognize the value of equity-settled share-based payments provided to employees, directors and consultants as part of their remuneration.

Capital reserve

In order to facilitate the Company being re-registered as a public limited company, the directors of the Company signed a solvency statement on June 29, 2017, with the agreement of the shareholders and undertook a capital reduction reducing its share premium by £42.5 million, from £42.8 million to £0.3 million with the amount by which the share premium was reduced credited to the Company's capital reserve.

12. Events after the reporting period

On August 11, 2017 and August 31, 2017, the Company entered into new lease obligations for office space. The lease obligations are for a period of five years with a break clause after three years.

On August 29, 2017, the Company re-registered as a public limited company and changed its name to NuCana plc.

NUCANA BIOMED LIMITED
NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

12. Events after the reporting period (continued)

On September 14, 2017, the Company completed a one-for-four reverse share split and an associated bonus allotment of shares to take into account fractional entitlements. This had the effect of consolidating every four ordinary shares of £0.01 to one ordinary share of £0.04, every four founder ordinary 1 shares of £0.01 to one founder ordinary 1 share of £0.04, every four founder ordinary 2 shares of £0.01 to one founder ordinary 2 share of £0.04, every four series A shares of £0.01 to one series A share of £0.04 and every four series B shares of £0.001 to one series B share of £0.004. After the reverse share split, the Company has 24,214,641 shares outstanding. This includes an issue of 30,000 shares in August 2017, upon the exercise of options.

As a result of the reverse share split, the exercise prices and the numbers of shares issuable upon the exercise of any outstanding options to purchase ordinary shares were proportionally adjusted pursuant to the respective anti-dilution terms of the share based payment plans. All references in these financial statements and accompanying notes to units of ordinary shares or per share amounts are reflective of the reverse share split for all periods presented.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors of NuCana plc:

We have audited the accompanying consolidated statements of financial position of NuCana plc (formerly known as NuCana Biomed Limited) (the "Company") and subsidiaries as of December 31, 2016 and 2015, and the related consolidated statements of operations, comprehensive loss, changes in equity and cash flows for each of the two years in the period ended December 31, 2016. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of NuCana plc and subsidiaries at December 31, 2016 and 2015, and the consolidated results of their operations and their cash flows for each of the two years in the period ended December 31, 2016, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

/s/ Ernst & Young LLP
Edinburgh, United Kingdom
June 26, 2017, except for the restatement to give effect to the reverse share split described in Note 16 to the financial statements, as to which the date is September 18, 2017

NUCANA BIOMED LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS
YEAR ENDED DECEMBER 31,

	Notes	2016	2015
		(in thousands, except per-share data)	
		£	£
Research and development expenses		(7,904)	(5,655)
Administrative expenses		(1,143)	(1,251)
Net foreign exchange gains (losses)		599	(8)
Operating loss		**(8,448)**	**(6,914)**
Finance income		283	406
Loss before tax		**(8,165)**	**(6,508)**
Income tax credit	6	2,116	1,176
Loss for the year		**(6,049)**	**(5,332)**
Basic and diluted loss per share	4	(0.25)	(0.22)

The accompanying notes form an integral part of these consolidated financial statements.

NUCANA BIOMED LIMITED
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
YEAR ENDED DECEMBER 31,

	Notes	2016	2015
		(in thousands)	
		£	£
Loss for the year		(6,049)	(5,332)
Other comprehensive expense:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		(2)	(1)
Other comprehensive expense for the year		(2)	(1)
Total comprehensive loss for the year		**(6,051)**	**(5,333)**
Attributable to:			
Equity holders of the Company		**(6,051)**	**(5,333)**

The accompanying notes form an integral part of these consolidated financial statements.

NUCANA BIOMED LIMITED
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AT DECEMBER 31,

	Notes	December 31, 2016	December 31, 2015
		(in thousands)	
		£	£
ASSETS			
Non-current assets			
Intangible assets	7	1,377	927
Property, plant and equipment	8	18	14
		1,395	**941**
Current assets			
Prepayments, accrued income and other receivables	9	3,634	375
Current income tax receivable	6	2,195	1,182
Short-term deposits	14	—	15,075
Cash and cash equivalents	14	19,990	14,112
		25,819	**30,744**
Total assets		**27,214**	**31,685**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital and share premium	10	43,433	43,233
Other reserves	11	4,064	2,951
Accumulated deficit		(22,256)	(16,224)
Total equity attributable to equity holders		**25,241**	**29,960**
Current liabilities			
Trade payables		728	507
Payroll taxes and social security		61	52
Accrued expenditure		1,184	1,160
Current income tax payable	6	—	6
		1,973	**1,725**
Total liabilities		**1,973**	**1,725**
Total equity and liabilities		**27,214**	**31,685**

The accompanying notes form an integral part of these consolidated financial statements.

NUCANA BIOMED LIMITED
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31,

	Share capital	Share premium	Own share reserve	Share option reserve	Foreign currency translation reserve	Accumulated deficit	Total equity attributable to equity holders
				(in thousands)			
	£	£	£	£	£	£	£
Balance at January 1, 2015	**659**	**42,574**	**(339)**	**2,506**	**—**	**(10,892)**	**34,508**
Loss for the year	—	—	—	—	—	(5,332)	(5,332)
Other comprehensive expense for the year	—	—	—	—	(1)	—	(1)
Total comprehensive loss for the year	—	—	—	—	(1)	(5,332)	(5,333)
Share-based payments	—	—	—	785	—	—	785
Balance at December 31, 2015	**659**	**42,574**	**(339)**	**3,291**	**(1)**	**(16,224)**	**29,960**
Loss for the year	—	—	—	—	—	(6,049)	(6,049)
Other comprehensive expense for the year	—	—	—	—	(2)	—	(2)
Total comprehensive loss for the year	—	—	—	—	(2)	(6,049)	(6,051)
Share-based payments	—	—	—	1,132	—	—	1,132
Exercise of share options	—	—	—	(17)	—	17	—
Issue of share capital	4	196	—	—	—	—	200
Balance at December 31, 2016	**663**	**42,770**	**(339)**	**4,406**	**(3)**	**(22,256)**	**25,241**

The accompanying notes form an integral part of these consolidated financial statements.

NUCANA BIOMED LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,

	2016	2015
	(in thousands)	
	£	£
Cash flows from operating activities		
Loss for the year	(6,049)	(5,332)
Adjustments for:		
Income tax credit	(2,116)	(1,176)
Amortization and depreciation	101	44
Finance income	(283)	(406)
Share-based payments	1,132	785
	(7,215)	(6,085)
Movements in working capital:		
(Increase) decrease in other receivables	(3,404)	36
Increase in trade payables	220	133
Increase in payroll taxes, social security and accrued expenditure	33	418
Movements in working capital	(3,151)	587
Cash used in operations	**(10,366)**	**(5,498)**
Corporation tax	1,102	1,031
Net cash used in operating activities	**(9,264)**	**(4,467)**
Cash flows from investing activities		
Interest received	410	290
Payments for office and computer equipment	(15)	(6)
Payments for intangible assets	(539)	(390)
Proceeds from (investment in) short-term deposits	15,075	(75)
Net cash provided by (used in) investing activities	**14,931**	**(181)**
Cash flows from financing activities		
Proceeds from issue of share capital	200	—
Net cash from financing activities	**200**	—
Net increase (decrease) in cash and cash equivalents	5,867	(4,648)
Cash and cash equivalents at beginning of year	**14,112**	**18,761**
Foreign currency translation differences	11	(1)
Cash and cash equivalents at end of year	**19,990**	**14,112**

The accompanying notes form an integral part of these consolidated financial statements.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

NuCana BioMed Limited ("NuCana" or the "Company") is a clinical-stage biopharmaceutical company developing a portfolio of new medicines to treat cancer. We are harnessing the power of phosphoramidate chemistry to generate new medicines called ProTides. These compounds have the potential to improve cancer treatment by enhancing the efficacy and safety of several current standards of care.

The Company is incorporated in England and Wales and domiciled in the United Kingdom.

The Company has two wholly owned subsidiaries, NuCana, Inc. and NuCana BioMed Trustee Company Limited. The financial statements for the Company were authorized for issue by the board of directors on June 26, 2017.

Re-registration

Prior to completion of the initial public offering ("IPO"), the Company intends to re-register as a public limited company and change its name to NuCana plc.

2. Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company's financial statements comprise the financial statements of the Company and its subsidiaries at December 31, 2016. The financial statements are presented in pounds sterling, which is also the Company's functional currency. All values are rounded to the nearest thousand, except where otherwise indicated.

Going concern

In common with many companies in the biopharmaceutical sector, the Company incurs significant expenditure in its early years as it researches and develops its potential products for market.

The board of directors, having reviewed the operating budgets and development plans, consider that the Company has adequate resources to continue in operation for the foreseeable future. The board of directors is therefore satisfied that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements. The Company believes that its cash and cash equivalents of £20.0 million at December 31, 2016, will be sufficient to fund its current operating plan for at least the next 12 months. As the Company continues to incur losses, the transition to profitability is dependent upon the successful development, approval and commercialization of its product candidates and achieving a level of revenues adequate to support its cost structure. The Company may never achieve profitability, and unless and until it does, it will continue to need to raise additional capital.

The Company intends to fund future operations through additional equity offerings and may seek additional capital through arrangements from other sources. There can be no assurances, however, that additional funding will be available on acceptable terms.

Judgements and estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet dates and the amounts reported for

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

revenue and expenses during the year. The nature of estimations means that actual outcomes could differ from those estimates.

The following judgements have had the most significant effect on the amounts recognized in the financial statements:

Research and development expenses

The Company recognizes research and development expenses in the statement of operations in the period in which it is incurred. When development activities reach the advanced stage, as set out in the specific criteria of International Accounting Standard ("IAS") 38, *Intangible Assets*, there will be a requirement to capitalize such costs as intangible assets. Management will continue to exercise judgement in the appropriate treatment of development costs.

Taxation

Management judgement is required to determine the amount of deferred tax assets that should be recognized, based upon the likely timing and level of future taxable profits. Further details are contained in Note 6.

The following estimate has had the most significant effect on the amounts recognized in the financial statements:

Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model, including the expected life of the share option or appreciation right, volatility, dividend yield and making assumptions about them and, in the case of the Company, the value of an ordinary share. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses the Black-Scholes model. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 12.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company as of December 31, 2016 and 2015.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Segment reporting

The Company operates in one operating segment. The Company's chief operating decision maker (the "CODM"), its Chief Executive Officer, manages the Company's operations on an integrated basis for the purposes of allocating resources. The Company's principal operations and decision-making functions are located in the United Kingdom. The CODM makes decisions on a global basis from there. Accordingly, the Company has determined that it operates in a single reporting segment.

Property, plant and equipment

Office and computer equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. There are no restrictions on title or equipment pledged as security for liabilities.
Depreciation is provided on office and computer equipment over their expected useful economic life as follows:

Asset class	**Depreciation method and rate**
Office and computer equipment	Straight-line over 3 years

Intangible assets

Intangible assets are stated at cost, net of accumulated amortization and accumulated impairment losses, if any. Cost in relation to patents includes registration, documentation and other legal fees associated with obtaining the patent. Software costs represent the initial purchase price of the asset.

The amortization method and period for the principal categories of intangible assets is calculated as follows:

Asset class	**Amortization method and rate**
Patents	Reverse sum of digits over 20 years
Computer software	Straight-line between 3 and 5 years

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. We also consider the profile of patents on a case-by-case basis and in appropriate circumstances we will use the straight-line method. Changes in the expected useful economic life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate. These changes are made on a prospective basis and treated as changes in accounting estimates.

Intangible assets are tested for impairment when a trigger event occurs.

Cash, cash equivalents and short-term deposits

Cash and cash equivalents in the statement of financial position include cash at banks with a maturity of less than three months, which are subject to an insignificant risk of changes in value.

Short-term deposits represent certificates of deposits with banks with maturities of greater than three months but less than one year.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Research and development

Research and development expenses are currently recognized in the statement of operations in the year in which it is incurred. Development expenditures on an individual project will be recognized as an intangible asset when the Company can demonstrate:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- its intention to complete and its ability and intention to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the asset; and
- the ability to measure reliably the expenditure during development.

Income Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Company's financial statements. However, the deferred income tax is not accounted for, if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred tax liability is settled. Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Income tax credit

The Company benefits from the U.K. research and development tax credit regime whereby a portion of the Company's losses can be surrendered for a cash rebate of up to 33.35% of eligible expenditures. Such credits are accounted for within the tax provision, in the year in which the expenditures were incurred.

Operating leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the consolidated statement of operations on a straight-line basis over the lease term.

Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the consolidated statements of operations.

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount of assets and cash-generating units is the higher of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

An assessment is made at each reporting date as to whether there is an indication that a previously recognized impairment loss may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognized. If that is the case, the carrying value is increased to its recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Share-based payments

Employees, directors and consultants of the Company receive remuneration in the form of share-based payments, whereby individuals render services as consideration for equity instruments (share options).

Under IFRS 2 *Share-based Payment*, equity share-based payments are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of fair value of equity settled share-based transactions are set out in Note 12.

The fair value determined at the grant date of equity settled share-based payments is expensed on a straight line basis over the vesting period, with a corresponding increase in equity to the share option reserve.

Fair value measurement

Fair value is based on the price that would be received from the sale of an asset or that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, IFRS 7 establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Accounting Standards

In preparing these financial statements, the Company has applied all relevant IAS, IFRS and International Financial Reporting Interpretations Committee ("IFRIC") Interpretations as of the date of approval of these financial statements and which are mandatory for the financial year ended December 31, 2016.

The following accounting standards and interpretations have been adopted as of January 1, 2016 in these financial statements and have not had a material impact on the Company's accounts in the period of initial application:

Amendments to IAS 1 Disclosure Initiative

The amendments to IAS 1 clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

- The materiality requirements in IAS 1
- That specific line items in the statement(s) of operations and other comprehensive income ("OCI") and the statement of financial position may be disaggregated
- That entities have flexibility as to the order in which they present the notes to financial statements
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss. Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of operations and OCI.

Amendments to IAS 27: Equity Method in Separate Financial Statements

The amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in their separate financial statements have to apply that change retrospectively.

Annual Improvements 2012-2014 Cycle

These improvements include:

IFRS 5 Non-current Assets Held for Sale

Assets (or disposal groups) are generally disposed of either through sale or distribution to the owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5. This amendment is applied prospectively.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

IFRS 7 Financial Instruments: Disclosures

(i) Servicing contracts

The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures need not be provided for any period beginning before the annual period in which the entity first applies the amendments.

(ii) Applicability of the amendments to IFRS 7 to condensed interim financial statements

The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. This amendment is applied retrospectively.

IAS 19 Employee Benefits

The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment is applied prospectively.

IAS 34 Interim Financial Reporting

The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. This amendment is applied retrospectively.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortization

The amendments clarify the principle in IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets* that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is a part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively and do not have any impact on the Company, given that it has not used a revenue-based method to depreciate its non-current assets.

The IASB and IFRIC have issued the following standards and interpretations, which are considered relevant to the Company, with an effective date after the date of these financial statements.

Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealized Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognized in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact. These amendments are effective for annual periods beginning on or after January 1, 2017, with early application permitted. These amendments are not expected to have a material impact on the Company.

Amendments to IAS 7: Disclosure Initiative

The amendments to IAS 7 *Statement of Cash Flows* aim to help users of financial statements better understand changes in an entity's debt. The amendments require entities to provide disclosures about changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). This amendment is effective for annual periods on or after January 1, 2017. This amendment is not expected to have a material impact on the Company's disclosure.

IFRS 9: Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 *Financial Instruments* that replaces IAS 39 *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after January 1, 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions. The Company expects no material impact on its balance sheet and equity.

IFRS 16: Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 *Leases*, IFRIC 4 *Determining Whether an Arrangement Contains a Lease*, SIC-15 *Operating Leases-Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees—leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognize a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognize the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognize the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases. IFRS 16 also requires lessees and lessors to make more

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Early application is permitted, but not before an entity applies IFRS 15 *Revenue from Contracts with Customers*. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs. The Company is currently assessing the potential impact of IFRS 16 on its consolidated financial statements.

Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions

The IASB issued amendments to IFRS 2 *Share-based Payment* that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The amendments are effective for annual periods beginning on or after January 1, 2018, with early application permitted. This amendment is not expected to have a material impact on the Company.

Annual Improvements to IFRSs 2014-2016 Cycle

IFRS 1 First-time Adoption of IFRS

This amendment deleted the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose.

IFRS 12 Disclosure of Interests in Other Entities

This amendment clarified the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

These amendments are not expected to have a material impact on the Company.

IFRIC Interpretation 22 Foreign Currency Transactions and Advance Consideration

The interpretation clarifies that in determining the spot exchange rate to use on initial recognition of a related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. This interpretation is not expected to have a material impact on the Company.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. Staff costs

Included in research and development expenses:

	2016	2015
	(in thousands)	
	£	£
Wages and salaries	2,241	1,366
Social security costs	205	151
Pension costs and other benefits	102	92
Share-based payments	1,027	709
	3,575	**2,318**

Included in administrative expenses:

	2016	2015
	(in thousands)	
	£	£
Wages and salaries	84	108
Social security costs	13	52
Pension costs and other benefits	7	15
Share-based payments	105	76
	209	251
Total employee benefit expense	**3,784**	**2,569**

The average number of staff employed under contracts of service were:

	Number	Number
Research and development activities	15	11
Administrative activities	1	1
	16	**12**

Directors' remuneration & other benefits

	2016	2015
	(in thousands)	
	£	£
Directors' remuneration	549	526
Pension and other benefits	34	77
	583	**603**

The number of directors who exercised share options in 2016 is 1 (2015: nil).

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. Staff costs (continued)

The above amounts for remuneration include the following in respect of the highest paid director:

	2016	2015
	(in thousands)	
	£	£
Directors' remuneration	378	318
Pension and other benefits	29	61
	407	**379**

4. Basic and diluted loss per share

	2016	2015
	(in thousands)	
	£	£
Loss for the year	**(6,049)**	**(5,332)**
Basic and diluted weighted average number of shares	24,107	24,101
	£	£
Basic and diluted loss per share	**(0.25)**	**(0.22)**

Basic loss per share is calculated by dividing the loss for the year attributable to the equity holders of the Company by the weighted average number of shares outstanding during the year.

The dilutive effect of potential shares through equity settled transactions were considered to be anti-dilutive as they would have decreased the loss per share and were therefore excluded from the calculation of diluted loss per share.

5. Operating lease arrangements

Operating leases relate to rental of office space. The leases are renewed for 12 or 24 months. All operating lease contracts contain clauses for market rental reviews on renewal. The Company does not have an option to purchase the leased office at the expiry of the lease periods. Operating lease expense for the years ended December 31, 2016 and 2015 was £0.2 million and £0.1 million, respectively.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2016	2015
	(in thousands)	
	£	£
Not later than 1 year	192	166
Later than 1 year and not later than 5 years	62	—
Later than 5 years	—	—
	254	**166**

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. Income tax credit

The major components of income tax for the years ended December 31, 2016 and 2015 are as follows:

	2016	2015
	(in thousands)	
	£	£
Current tax:		
In respect of current year U.K.	1,906	1,182
In respect of current year U.S.	(28)	(6)
In respect of prior years U.K.	235	—
In respect of prior years U.S.	3	—
Total current tax	**2,116**	**1,176**
Deferred tax	—	—
Current income tax receivable:		
U.K. tax	2,141	1,182
U.S. tax	54	—
Current income tax receivable	**2,195**	**1,182**
Current income tax payable:		
U.S. tax	—	6

The credit for the year can be reconciled to the loss per the statement of operations as follows:

	2016	2015
	(in thousands)	
	£	£
Loss before tax	**(8,165)**	**(6,508)**
Tax on loss at standard U.K. tax rate of 20.00% (2015: 20.25%)	(1,633)	(1,318)
Effects of:		
Adjustments in respect of prior years	—	—
Expenses not deductible	1,301	888
Deduction for R&D	(2,629)	(1,650)
Losses surrendered for R&D tax credit	2,629	1,650
Overseas tax payable	24	6
R&D tax credit—current year	(1,906)	(1,182)
R&D tax credit—prior years	(235)	—
Deferred tax asset not recognized	333	430
Income tax credit	**(2,116)**	**(1,176)**

The Company has not recognized a deferred tax asset in respect of tax losses carried forward as at December 31, 2016 on the basis that the timing during which tax losses could be regarded as recoverable against future taxable profits cannot be determined with reasonable certainty.

Temporary differences and cumulative carry forward tax losses for which deferred tax has not been recognized amount to £32.5 million (2015: £10.1 million).

U.K. tax legislation, which was substantively enacted on October 26, 2015, includes legislation that will reduce the main rate of U.K. corporation tax from 20% to 18%. This decrease is to be phased in with a reduction

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. Income tax credit (continued)

to 19%, effective from April 1, 2017, and a reduction to 18%, effective from April 1, 2020. Further, as announced on March 16, 2016, that the full rate of U.K. corporation tax will reduce by a further 1% to 17% from April 1, 2020. This further reduction was included within the U.K. tax legislation, which was substantively enacted on September 6, 2016.

7. Intangible assets

	Patents	Computer Software	Total
		(in thousands)	
	£	£	£
Cost:			
At December 31, 2014	614	—	614
Additions	390	—	390
At December 31, 2015	**1,004**	**—**	**1,004**
Accumulated amortization:			
At December 31, 2014	41	—	41
Charge for the year	36	—	36
At December 31, 2015	**77**	**—**	**77**
Cost:			
At December 31, 2015	1,004	—	1,004
Additions	529	10	539
At December 31, 2016	**1,533**	**10**	**1,543**
Accumulated amortization:			
At December 31, 2015	77	—	77
Charge for the year	86	3	89
At December 31, 2016	**163**	**3**	**166**
Net book value:			
At December 31, 2016	**1,370**	**7**	**1,377**
At December 31, 2015	927	—	927

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. Property, plant and equipment

	Office and computer equipment
	(in thousands) £
Cost:	
At December 31, 2014	31
Additions	6
Effect of foreign currency exchange differences	—
At December 31, 2015	**37**
Depreciation:	
At December 31, 2014	15
Charge for the year	8
Effect of foreign currency exchange differences	—
At December 31, 2015	**23**
Cost:	
At December 31, 2015	37
Additions	15
Disposals	(1)
Effect of foreign currency exchange differences	1
At December 31, 2016	**52**
Depreciation:	
At December 31, 2015	23
Charge for the year	12
Disposals	(1)
Effect of foreign currency exchange differences	—
At December 31, 2016	**34**
Net book value:	
At December 31, 2016	**18**
At December 31, 2015	14

9. Prepayments, accrued income and other receivables

	2016	2015
	(in thousands) £	£
Prepayments—manufacturing and clinical	3,050	—
Prepayments—other	173	54
Accrued income	21	149
VAT	198	154
Other receivables	192	18
	3,634	**375**

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. Share capital and share premium

	2016	2015
	(in thousands)	
	£	£
Share capital	663	659
Share premium	42,770	42,574
	43,433	**43,233**

	Number	Number
	(in thousands)	
Issued share capital comprises:		
Ordinary shares of £0.01 each	6,239	6,156
Founder ordinary 1 shares of £0.01 each	1,000	1,000
Founder ordinary 2 shares of £0.01 each	1,000	1,000
Series A shares of £0.01 each	7,483	7,483
Series B shares of £0.001 each	8,463	8,463
	24,185	**24,102**

The table above does not total due to rounding.

	Number of shares	Share capital	Share premium
		(in thousands)	
		£	£
Fully paid shares:			
Balance at January 1, 2015 and December 31, 2015	24,102	659	42,574
Issue of shares on exercise of options	83	4	196
Balance at December 31, 2016	**24,185**	**663**	**42,770**

Ordinary shares

The ordinary shares rank equally with all other shares in issue in that on a poll every member shall have one vote for each ordinary share held (save for the enhanced voting rights referred to in the founder ordinary shares). The ordinary shares rank equally with all other shares in issue in respect of any rights to any dividend distribution. The ordinary shares rank equally with all other shares in issue in respect of any rights to any capital distribution. The ordinary shares are not redeemable.

Founder ordinary shares

Upon shareholder vote, the founder ordinary 1 shares and the founder ordinary 2 shares shall as separate classes of shares each confer upon the holders of such classes of shares such number of votes, which equals at least 5% of all votes exercisable by all holders of shares.

Series A shares

The series A shares rank equally with all other shares in issue in that on a vote every member shall have one vote for each series A share held (save for the enhanced voting rights conferred upon the founder ordinary shares). The series A shares rank equally with all others shares in respect of any rights to any dividend

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. Share capital and share premium (continued)

distribution. The series A shares rank equally with all other shares in issue in respect of any rights to any capital distribution. The series A shares are not redeemable.

Series B shares

The series B shares rank equally with all other shares in issue (save for the enhanced voting rights conferred upon the founder ordinary shares). The series B shares rank equally with all other shares in issue in respect of any rights to any dividend distribution. The series B shares rank equally with all other shares in respect of any rights to any capital distribution. The series B shares are not redeemable.

Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the Company. The purpose of the Company's capital management is to maximize shareholder value and ensure adequate capital is available to meet the medium-term operating plan. Review of operations and commitments is key to identifying future capital management and a full review is undertaken on a quarterly basis.

No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2015 or the year ended December 31, 2016.

11. Other reserves

	2016	2015
	(in thousands)	
	£	£
Own share reserve	(339)	(339)
Foreign currency translation reserve	(3)	(1)
Share option reserve		
Balance at beginning of year	3,291	2,506
Share-based payments	1,132	785
Exercise of share options	(17)	—
Balance at end of year	4,406	3,291
Total other reserves	**4,064**	**2,951**

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations.

Own share reserve

The own share reserve represents the cost of 500,000 shares of NuCana BioMed Limited purchased by NuCana Employee Benefit Trust and that may, at the discretion of the trustee, be used to satisfy future exercise of options under the Company's share options plan.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. Other reserves (continued)

Share option reserve

The share option reserve is used to recognize the value of equity-settled share-based payments provided to employees, directors and consultants as part of their remuneration. Refer to Note 12 for further details of these plans.

12. Share-based payments

The Company has three share-based payment plans for employees, directors and consultants. The share options granted will be settled in equity. In 2016, share options were granted under the following share-based payment plans:

U.K. share-based payment plans

Options granted under these plans will vest if the option holder remains under their respective employment/consultancy contract for the agreed vesting period. The majority of the share options granted under these plans will vest equally over a period of four years, with the exception of the following:

1) options granted to a director, under which a third of the options granted vested immediately with the remaining two-thirds vesting each subsequent year; and

2) options granted to three employees, under which two thirds of the options vested immediately with the remaining third vesting in 2017.

Upon vesting, each option allows the holder to purchase one ordinary share at a specified option price determined at grant date.

Stock option plan (U.S. Sub-Plan)

On June 30, 2016, share options were granted under this sub-plan, which will vest equally over a period of four years if the option holder remains under the respective employment contract. Upon vesting, each option allows the holder to purchase one ordinary share at a specified option price determined at grant date.

On December 12, 2016, 45,750 share options were granted to a director with an exercise price of £4.00 each, which could be exercised within six months after the grant date. The options were exercised on December 29, 2016. Under the employment requirements within the stock option agreement, the director does not have unconditional ownership of these shares until he has provided four years of service from the grant date. Consequently, these options vest over a period of four years, with the share-based payment expense recognized on a straight line basis.

Cancelled share option arrangement

During the year ended December 31, 2016, the share-based payment arrangements for three employees were cancelled. The cancellation of the original plan resulted in an acceleration of the remaining vesting period, with the remaining charge recognized in 2016 deemed immaterial.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Share-based payments (continued)

Share options and weighted average exercise prices are as follows for the reporting periods presented:

	Number of shares	Weighted average exercise price per share £
Outstanding at January 1, 2015	2,873,747	0.26
Granted	—	—
Forfeited	—	—
Exercised	—	—
Outstanding at December 31, 2015	**2,873,747**	**0.26**
Granted	507,690	3.81
Forfeited	—	—
Cancelled	(50,000)	2.95
Exercised	(83,250)	2.40
Outstanding at December 31, 2016	**3,248,187**	**0.72**
Vested and exercisable at December 31, 2016	**2,841,419**	**0.36**
Vested and exercisable at December 31, 2015	2,262,500	0.23

The weighted average remaining contractual life of the share options outstanding as at December 31, 2016 is 6.66 years (2015: 6.18).

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Share-based payments (continued)

The following principal assumptions were used in the valuation for share options.

	Options granted on				
	Jun 30, 2016	**Aug 22, 2016**	**Aug 22, 2016**	**Aug 22, 2016**	**Aug 22, 2016**
Vesting dates	Oct 12, 2016	Aug 22, 2016	Aug 22, 2016	Dec 07, 2016	Mar 01, 2017
	Oct 12, 2017	Aug 22, 2017	Aug 22, 2017	Dec 07, 2017	Mar 01, 2018
	Oct 12, 2018			Dec 07, 2018	Mar 01, 2019
	Oct 12, 2019			Dec 07, 2019	Mar 01, 2020
Volatility	69.05%	67.92%	67.92%	67.92%	67.92%
Dividend yield	0%	0%	0%	0%	0%
Risk-free investment rate	0.11%	0.07%	0.07%	0.07%	0.07%
Fair value of option at grant date	£ 4.02	£ 6.15	£ 6.01	£ 5.74	£ 5.62
Fair value of share at grant date	£ 6.97	£ 8.61	£ 8.61	£ 8.61	£ 8.61
Exercise price at date of grant	£ 4.00	£ 2.80	£ 3.00	£ 3.40	£ 3.60
Lapse date	June 30, 2026	Aug 22, 2026	Aug 22, 2026	Aug 22, 2026	Aug 22, 2026
Expected option life (years)	2.50	2.36	2.36	2.36	2.36
Number of options granted	270,690	12,500	37,500	25,000	11,250

	Options granted on				
	Aug 22, 2016	**Aug 22, 2016**	**Oct 28, 2016**	**Oct 28, 2016**	**Dec 12, 2016**
Vesting dates	May 01, 2017	May 16, 2017	Oct 28, 2017	Oct 28, 2016	Dec 12, 2017
	May 01, 2018	May 16, 2018	Oct 28, 2018	Oct 28, 2017	Dec 12, 2018
	May 01, 2019	May 16, 2019	Oct 28, 2019	Oct 28, 2018	Dec 12, 2019
	May 01, 2020	May 16, 2020	Oct 28, 2020		Dec 12, 2020
Volatility	67.92%	67.92%	68.38%	68.38%	60.92%
Dividend yield	0%	0%	0%	0%	0%
Risk-free investment rate	0.07%	0.07%	0.28%	0.28%	0.06%
Fair value of option at grant date	£ 5.62	£ 5.62	£ 5.85	£ 5.46	£ 5.22
Fair value of share at grant date	£ 8.61	£ 8.61	£ 8.76	£ 8.76	£ 9.19
Exercise price at date of grant	£ 3.60	£ 3.60	£ 3.40	£ 4.00	£ 4.00
Lapse date	Aug 22, 2026	Aug 22, 2026	Oct 28, 2026	Oct 28, 2026	Dec 12, 2026
Expected option life (years)	2.36	2.36	2.17	2.17	0.50
Number of options granted	5,000	37,500	12,500	50,000	45,750

The fair values of options granted were determined using the Black-Scholes model that takes into account factors specific to the share incentive plan such as the assumption that the options will be exercised at a single point in time, in December 2018. This has been incorporated into the measurement by means of actuarial modelling. As NuCana BioMed Limited was unlisted at the grant date of the options, it is not possible to derive historical volatility from the Company's own share price. The underlying expected volatility was therefore determined by using the historical volatility of similar listed entities as a proxy. The volatility percentage applied to each tranche is the average of the historical volatility of comparable companies to NuCana BioMed Limited. In prior years, management made contemporaneous valuation of the share price, based on recent capital transactions, as an input to the Black-Scholes model. For the 2016 awards, the Company's ordinary share valuations were prepared using the guideline public company, or GPC, method under the market approach. In the application of the GPC method, we considered the pricing of IPOs completed by clinical-stage oncology companies between April 2015 and May 2016. We converted prospective IPO value to present value by applying a discount rate of 25%. The discount rate was derived from studies of rates of return required by venture investors in IPO-stage companies. In addition to the IPO GPCs, we considered the enterprise values indicated by a group of eight trading GPCs. The trading prices of these clinical-stage GPCs provided contemporaneous

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Share-based payments (continued)

indications of value as of each appraisal date. We applied a discount for lack of marketability to the ordinary shares to account for the lack of access to an active public market. We estimated the discount for lack of marketability using an Asian put model. In the year ended December 31, 2016, an employee remuneration expense, all of which related to equity-settled share-based payments, of £1.1 million (2015: £0.8 million) has been included in the statement of operations and credited to equity.

13. Related party disclosures

Compensation of key management personnel of the Company

	2016	2015
	(in thousands)	
	£	£
Short-term employee benefits	1,053	647
Severance payments	150	—
Pension and other benefits	47	77
Share-based payments	731	726
	1,981	**1,450**

The amounts disclosed in the table above are the amounts recognized as an expense during the reporting year related to key management personnel.

14. Cash, cash equivalents and short-term deposits

	2016	2015
	(in thousands)	
	£	£
Cash and cash equivalents	19,990	14,112

Cash and cash equivalents are comprised of cash at bank with maturity of three months or less, which are subject to insignificant risk of changes in value. Cash at bank earns interest at fixed or variable rates based on the terms agreed for each account.

	2016	2015
	(in thousands)	
	£	£
Short-term deposits	—	15,075

Short-term deposits represent certificates of deposits with maturities greater than three months but less than one year.

Liquidity risk is minimal and is managed using deposits with immediate and varied fixed term dates.

Cash, cash equivalents and short term deposits are measured at fair value and classified as Level 1 under the fair value level hierarchy.

15. Financial instruments

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced liquidation or sale.

NUCANA BIOMED LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. Financial instruments (continued)

The following methods and assumptions were used to estimate the fair values:

Cash, cash equivalents, short-term deposits, other receivables, trade payables and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

16. Events after the reporting period

On September 14, 2017, the Company completed a one-for-four reverse share split and an associated bonus allotment of shares to take into account fractional entitlements. This had the effect of consolidating every four ordinary shares of £0.01 to one ordinary share of £0.04, every four founder ordinary 1 shares of £0.01 to one founder ordinary 1 share of £0.04, every four founder ordinary 2 shares of £0.01 to one founder ordinary 2 share of £0.04, every four series A shares of £0.01 to one series A share of £0.04 and every four series B shares of £0.001 to one series B share of £0.004. After the reverse share split, the Company has 24,214,641 shares outstanding. This includes an issue of 30,000 shares in August 2017, upon the exercise of options.

As a result of the reverse share split, the exercise prices and the numbers of shares issuable upon the exercise of any outstanding options to purchase ordinary shares were proportionally adjusted pursuant to the respective anti-dilution terms of the share based payment plans. All references in these financial statements and accompanying notes to units of ordinary shares or per share amounts are reflective of the reverse share split for all periods presented.

6,667,000 American Depositary Shares

Representing 6,667,000 Ordinary Shares

PRELIMINARY PROSPECTUS

, 2017

Citigroup
Jefferies
Cowen
William Blair

Through and including , 2017 (25 days after the date of this prospectus), all dealers that buy, sell, or trade the ADSs, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Part II
INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 6. Indemnification of directors and officers

Members of the registrant's board of directors and its officers have the benefit of the following indemnification provisions in the registrant's Articles of Association:

Current and former members of the registrant's board of directors or officers shall be reimbursed for:

(a) all costs, charges, losses, expenses and liabilities sustained or incurred in relation to his or her actual or purported execution of his or her duties in relation to the registrant, including any liability incurred in defending any criminal or civil proceedings; and

(b) expenses incurred or to be incurred in defending any criminal or civil proceedings, in an investigation by a regulatory authority or against a proposed action to be taken by a regulatory authority, or in connection with any application for relief under the statutes of the United Kingdom and any other statutes that concern and affect the registrant as a company, or collectively the Statutes, arising in relation to the registrant or an associated company, by virtue of the actual or purposed execution of the duties of his or her office or the exercise of his or her powers.

In the case of current or former members of the registrant's board of directors, there shall be no entitlement to reimbursement as referred to above for (i) any liability incurred to the registrant or any associated company,(ii) the payment of a fine imposed in any criminal proceeding or a penalty imposed by a regulatory authority for non-compliance with any requirement of a regulatory nature, (iii) the defense of any criminal proceeding if the member of the registrant's board of directors is convicted, (iv) the defense of any civil proceeding brought by the registrant or an associated company in which judgment is given against the director, and (v) any application for relief under the statutes of the United Kingdom and any other statutes that concern and affect the registrant as a company in which the court refuses to grant relief to the director.

In addition, members of the registrant's board of directors and its officers who have received payment from the registrant under these indemnification provisions must repay the amount they received in accordance with the Statutes or in any other circumstances that the registrant may prescribe or where the registrant has reserved the right to require repayment.

Under the Companies Act 2006, any provision (whether contained in a company's articles of association or any contract or otherwise) that purports to exempt a director of a company, to any extent, from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company is void.

The underwriting agreement the registrant will enter into in connection with the offering of ADSs being registered hereby provides that the underwriters will indemnify, under certain conditions, the registrant's board of directors and its officers against certain liabilities arising in connection with this offering.

Item 7. Recent sales of unregistered securities

The following information is furnished with regard to all securities issued by the registrant within the last three years that were not registered under the Securities Act. The issuance of such shares was deemed exempt from registration requirements of the Securities Act as such securities were offered and sold outside of the United States to persons who were neither citizens nor residents of the United States or such sales were exempt from registration under Section 4(a)(2) of Securities Act or under Rule 701 promulgated under the Securities Act.

No underwriter or underwriting discount or commission was involved in any of the issuances set forth in this Item 7.

Issuance of Share Capital

- On March 31, 2014, the registrant issued 8,462,500 Series B shares to Sofinnova Capital, Sofinnova Partners, Morningside, Scottish Enterprise and Christopher McGuigan for aggregate consideration of £33.85 million.

Options to Purchase Ordinary Shares

Since January 1, 2014, the registrant issued an aggregate of 2,973,972 options to purchase ordinary shares under its equity incentive plans. Of these options:

- options to purchase 50,000 ordinary shares have been canceled without being exercised;
- options to purchase 75,750 ordinary shares have been exercised at a weighted average exercise price of £4.00 per share; and
- options to purchase a total of 2,848,222 ordinary shares are currently outstanding, at a weighted average exercise price of £1.13 per share.

In addition to the above, 215,782 options to purchase ordinary shares were approved for issuance as of the date of this prospectus and will only be issued upon the pricing of this offering.

Item 8. Exhibits and Financial Statement Schedules

(a) Exhibits

Exhibit Number	Description of Exhibit
1.1	Form of Underwriting Agreement.
3.1**	Articles of Association of the registrant effective prior to the re-registration of the registrant as a public limited company.
3.2**	Articles of Association of the registrant, as currently in effect.
3.3	Articles of Association of the registrant to be adopted with effect from the listing of its ADSs on Nasdaq (to be effective upon the completion of this offering).
4.1	Form of certificate evidencing ordinary shares.
4.2	Form of Deposit Agreement.
4.3	Form of American Depositary Receipt (included in Exhibit 4.2).
5.1	Opinion of Bristows LLP.
10.1#	2009 Share Option Scheme (as amended, to be effective upon completion of this offering) and form of option agreements thereunder.
10.2#	2012 Share Option Scheme (as amended, to be effective upon completion of this offering) and form of option agreements thereunder.
10.3#	2016 Share Option Scheme (as amended, to be effective upon completion of this offering) and form of option agreements thereunder.
10.4†	Research, Collaboration and License Agreement, dated August 21, 2009, by and between the registrant, Cardiff University and University College Cardiff Consultants Ltd., as amended.
10.5†	Variation Agreement, dated March 15, 2012, by and between the registrant and Cardiff ProTides Limited and the related Side Letter, dated May 15, 2012.

Exhibit Number	Description of Exhibit
10.6†	Assignment, License and Collaboration Agreement, dated October 13, 2009, by and between the registrant and Cardiff ProTides Limited.
10.7†	Patent Assignment Agreement, dated March 15, 2012, by and between the registrant and Cardiff ProTides Limited.
10.8	Form of lease to be entered into between the registrant and Drum Income Plus Limited.
10.9	Form of Registration Rights Agreement by and among the registrant and the investors named therein, to be effective upon completion of this offering.
10.10#	Form of Deed of Indemnity for directors and officers.
21.1**	Subsidiaries of the registrant.
23.1	Consent of Ernst & Young LLP, registrant's independent registered public accounting firm.
23.2	Consent of Bristows LLP (included in Exhibit 5.1).
24.1**	Power of Attorney (included on signature page to the registration statement).

** Previously filed.
# Indicates management contract or compensatory plan.
† Confidential treatment has been requested as to portions of this exhibit. Confidential treatment materials have been omitted and filed separately with the Securities and Exchange Commission.

(b) Financial Statement Schedules

All Schedules have been omitted because the information required to be presented in them is not applicable or is shown in the consolidated financial statements or related notes.

Item 9. Undertakings

(a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Edinburgh, United Kingdom, on September 18, 2017.

NUCANA PLC

By: /s/ Hugh S. Griffith
Name: Hugh S. Griffith
Title: Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Hugh S. Griffith Hugh S. Griffith	Chief Executive Officer (Principal Executive Officer)	September 18, 2017
/s/ Donald Munoz Donald Munoz	Chief Financial Officer (Principal Financial and Accounting Officer)	September 18, 2017
* Christopher Wood	Chairman	September 18, 2017
* Rafaèle Tordjman	Director	September 18, 2017
* James Healy	Director	September 18, 2017
* Isaac Cheng	Director	September 18, 2017
* Martin Mellish	Director	September 18, 2017

*By: /s/ Hugh S. Griffith
Hugh S. Griffith
Attorney-in-fact

SIGNATURE OF AUTHORIZED U.S. REPRESENTATIVE OF THE REGISTRANT

Pursuant to the Securities Act of 1933, the undersigned, the duly authorized representative in the United States of NuCana plc has signed this registration statement or amendment thereto on September 18, 2017.

NUCANA, INC.

By: /s/ Donald Munoz
Name: Donald Munoz
Title: Chief Financial Officer

Exhibit 1.1

NuCana plc

[●] American Depositary Shares
Representing An Aggregate of [●] Ordinary Shares

Underwriting Agreement

[●], 2017

Citigroup Global Markets Inc.
Jefferies LLC
Cowen and Company, LLC
As Representatives of the several Underwriters,

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Jefferies LLC
520 Madison Avenue
New York, New York 10022

c/o Cowen and Company, LLC
599 Lexington Avenue
New York, New York 10022

Ladies and Gentlemen:

NuCana plc, a company incorporated under the laws of England and Wales with registered number 03308778 (the "Company"), proposes to issue and sell to the several underwriters named in Schedule I hereto (the "Underwriters"), for whom you (the "Representatives") are acting as representatives, an aggregate of [●] American Depository Shares ("ADSs"), each representing one ordinary share, nominal value £0.04 per share (the "Ordinary Shares") of the Company, pursuant to this underwriting agreement (this "Agreement"). The ADSs to be issued and sold by the Company are hereinafter called the "Underwritten Securities." The Company also proposes to grant to the Underwriters, pursuant to this Agreement, an option to purchase up to [●] additional ADSs to cover over-allotments, if any (the "Option Securities"; the Option Securities, together with the Underwritten Securities, being hereinafter called the "Offered Securities"). The new Ordinary Shares underlying the Offered Securities are herein called the "Shares." The Offered Securities and the Shares are hereinafter collectively referred to as the "Securities."

The ADSs will be evidenced by American Depositary Receipts ("ADRs") issued pursuant to that certain Deposit Agreement dated [●], 2017 (the "Deposit Agreement"), by and among the Company, Citibank, N.A. as depositary (the "Depositary"), and all holders and beneficial owners of ADSs issued thereunder. The Company shall, following subscription by the Underwriters of the Offered Securities pursuant to this Agreement, deposit, on behalf of the Underwriters, the Shares being delivered in the form of the Offered Securities with Citibank, N.A., London Branch as custodian (the "Custodian") for the Depositary, which shall deliver the Offered Securities to the Representatives for the account of the several Underwriters for subsequent delivery to the other several Underwriters or the investors, as the case may be.

Unless the context otherwise requires, each reference to the Offered Securities or ADSs herein also includes the Shares and the ADRs evidencing such ADSs. To the extent there are no additional Underwriters listed on Schedule I other than you, the term Representatives as used herein shall mean you, as Underwriters, and the terms Representatives and Underwriters shall mean either the singular or plural as the context requires. Certain terms used herein are defined in Section 22 hereof.

1. Representations and Warranties. The Company represents and warrants to, and agrees with, each Underwriter as set forth below in this Section 1.

(a) The Company has prepared and filed with the Commission a registration statement (File No. 333- 220321) on Form F-1, including a related Preliminary Prospectus, for registration under the Act of the offering and sale of the Securities. Such Registration Statement, including any amendments thereto filed prior to the Execution Time, has become effective. The Company may have filed one or more amendments thereto, including a related Preliminary Prospectus, each of which has previously been furnished to you. The Company will file with the Commission a final Prospectus in accordance with Rule 424(b). As filed, such final Prospectus shall contain all information with respect to the Securities and the offering thereof in the form of ADSs required by the Act and the rules thereunder and, except to the extent the Representatives shall agree in writing to a modification, shall be in all substantive respects in the form furnished to you prior to the Execution Time or, to the extent not completed at the Execution Time, shall contain only such specific additional information and other changes (beyond that contained in the latest Preliminary Prospectus that describes the Securities and the offering thereof and is used prior to the filing of the Prospectus) as the Company has advised you, prior to the Execution Time, will be included or made therein.

(b) On the Effective Date, at the Execution Time and on the Closing Date (as defined herein), the Registration Statement complied and will comply in all material respects with the Act and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; when the Prospectus is first filed in accordance with Rule 424(b), on the Closing Date and on any date on which Option Securities are purchased, if such date is not the Closing Date (a "settlement date"), the Prospectus (and any supplement thereto) will comply in all material respects with the applicable requirements of the Act and the rules thereunder; and as of the date of any filing of the Prospectus (together with any supplement thereto) and as of the Closing Date and of any settlement date, will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representations or warranties as to the information contained in or omitted from the Registration Statement, or the Prospectus (or any supplement thereto) in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through the Representatives specifically for inclusion in the Registration Statement or the Prospectus (or any supplement thereto), it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 8 hereof.

(c) The Company has caused to be filed with the Commission a registration statement on Form F-6 (File No. 333-220392) relating to the ADSs (such registration statement, including all exhibits thereto, at the time it became effective, being hereinafter referred to as the "F-6 Registration Statement"). The F-6 Registration Statement has (i) been prepared by the Company in conformity with the requirements of the Act and the rules and regulations thereunder, (ii) been filed with the Commission under the Act and (iii) become effective under the Act. Copies of the F-6 Registration Statement have been delivered by the Company to you. The Commission has not issued any order suspending the effectiveness of the F-6 Registration Statement, and no proceeding for that purpose has been instituted or, to the Company's knowledge, threatened by the Commission. The F-6 Registration Statement, at the time it became effective under the Act and at each Closing Date, (i) conformed and will conform in all respects to the requirements of the Act and the rules and regulations thereunder and (ii) and did not, as of the applicable effective date and will not, at the Execution Time and on such Closing Date and any settlement date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(d) Assuming compliance by the Depositary with the terms of the Deposit Agreement, upon issuance by the Depositary of the ADSs evidenced by ADRs against deposit of the underlying Shares in accordance with the provisions of the Deposit Agreement, such ADRs will be duly and validly issued and persons in whose names the ADRs are registered will be entitled to the rights specified in the ADRs and in the Deposit Agreement; and upon the sale and delivery to the Underwriters of the Offered Securities, and payment therefor, pursuant to this Agreement, the Underwriters will acquire good, marketable and valid title to such Offered Securities, free and clear of all pledges, liens, security interests, charges, claims or encumbrances of any kind.

(e) (i) The Disclosure Package and the price to the public, the number of Underwritten Securities and the number of Option Securities to be included on the cover page of the Prospectus, when taken together as a whole, (ii) each electronic road show, when taken together as a whole with the Disclosure Package and the price to the public, the number of Underwritten Securities and the number of Option Securities to be included on the cover page of the Prospectus, and (iii) any individual Written Testing-the-Waters Communication, when taken together as a whole with the Disclosure Package and the price to the public, the number of Underwritten Securities and the number of Option Securities to be included on the cover page of the Prospectus, does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from the Disclosure Package based upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 8 hereof.

(f) (i) At the time of filing the Registration Statement and (ii) as of the Execution Time (with such date being used as the determination date for purposes of this clause (ii)), the Company was not and is not an Ineligible Issuer (as defined in Rule 405), without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an Ineligible Issuer.

(g) From the time of initial confidential submission of the Registration Statement with the Commission (or, if earlier, the first date on which the Company engaged directly or through any Person authorized to act on its behalf in any Testing-the-Waters Communication) through the Execution Time, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Act (an "Emerging Growth Company"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act.

(h) The Company (i) has not alone engaged in any Testing-the-Waters Communication other than Testing-the-Waters Communications with the consent of the Representatives with entities that are qualified institutional buyers within the meaning of Rule 144A under the Act or institutions that are accredited investors within the meaning of Rule 501 under the Act; and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed any Written Testing-the-Waters Communications other than those listed on Schedule III hereto. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

(i) Each Issuer Free Writing Prospectus does not include any information that conflicts with the information contained in the Registration Statement. The foregoing sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representatives specifically for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 8 hereof.

(j) Each of the Company and its subsidiaries has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction in which it is chartered or organized (to the extent such concepts are applicable in such jurisdictions) with full corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Disclosure Package and the Prospectus, and is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification.

(k) The Company's issued share capital is as set forth in the Disclosure Package and the Prospectus under the heading "Capitalization"; the share capital of the Company conforms to the description thereof contained in the Disclosure Package and the Prospectus; the Shares have been duly authorized and validly allotted and issued, are fully paid and not subject to any call for the payment of further capital and have been issued in compliance with all applicable securities law (including pursuant to section 551 and section 570 of the United Kingdom Companies Act 2006); and, except as set forth in the Disclosure Package and the Prospectus, no options, warrants or other rights to purchase, agreements or other obligations to issue, or rights to convert any obligations into or exchange any securities for shares or ownership interests in the Company are outstanding.

(l) All the outstanding share capital of each subsidiary have been duly and validly authorized and issued and are fully paid and not subject to any call for the payment of further capital and, except as otherwise set forth in the Disclosure Package and the Prospectus, all outstanding share capital of the subsidiaries are owned by the Company either directly or through wholly owned subsidiaries free and clear of any perfected security interest or any other security interests, claims, liens or encumbrances.

(m) This Agreement has been duly authorized, executed and delivered by the Company.

(n) There is no franchise, contract or other document of a character required to be described in the Registration Statement, F-6 Registration Statement or Prospectus, or to be filed as an exhibit thereto, which is not described or filed as required (and the Preliminary Prospectus contains in all material respects the same description of the foregoing matters contained in the Prospectus); and the statements in the Preliminary Prospectus and the Prospectus under the headings "Taxation," "Risk Factors – Risks Related to Our Intellectual Property," "Risk Factors – Risks Related to Marketing Approval of our Product Candidates," "Business – Legal Proceedings," "Description of Share Capital," "Related Party Transactions," "Business – Government Regulation and Product Approval" and "Business – Intellectual Property" insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings.

(o) The Shares have been duly authorized for issuance and sale (including pursuant to section 551 of the United Kingdom Companies Act 2006) and, when issued by the Company and delivered to the Custodian against payment for the Offered Securities pursuant to this Agreement, will be validly issued and fully paid and not subject to any call for the payment of further capital, and the issuance and sale of the Shares is not subject to any liens, encumbrances, preemptive rights, rights of first refusal or other similar rights to subscribe for or purchase the Securities (including those provided by section 561 (1) of the United Kingdom Companies Act 2006). Upon the delivery to the Custodian of the Shares, the Depositary will, subject to the terms of the Deposit Agreement, acquire good, marketable and valid title to such Shares, free and clear of all pledges, liens, security interests, charges, claims or encumbrances.

(p) The Deposit Agreement has been duly authorized, executed and delivered by the Company. Assuming due authorization, execution and delivery by the Depositary, the Deposit Agreement constitutes a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally or by equitable principles relating to enforceability. Upon (i) issuance by the Depositary of the ADSs against the deposit of Shares in respect thereof and/or (ii) due execution and delivery by the Depositary of ADRs evidencing the ADSs against the deposit of Shares in respect thereof, in accordance with the provisions of the Deposit Agreement, such ADSs and/or ADRs will be duly and validly issued and the persons in whose names the ADSs and/or the ADRs are registered will be entitled to the rights specified therein and in the Deposit Agreement; and the ADSs and ADRs will conform in all material respects to the descriptions thereof in the Registration Statement, the Disclosure Package and the Prospectus.

(q) The Company is not and, after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in the Disclosure Package and the Prospectus, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended.

(r) No consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated herein or in the Deposit Agreement, except such as have been obtained under the Act; and such as may be required under the blue sky laws of any jurisdiction or the United Kingdom Companies Act 2006 in connection with the purchase and distribution of the Securities by the Underwriters in the manner contemplated herein and in the Disclosure Package and the Prospectus. Without limitation, the Company has not, directly or indirectly, without giving effect to activities by the Underwriters, caused the Securities to be, and will not cause them to be, the subject of an offer to the public in the United Kingdom (or in any other EU Member State) for the purposes of section 85 (1) of the United Kingdom Financial Services and Markets Act 2000 ("FSMA") and no invitation or inducement to acquire them has been or will be made by the Company, directly or indirectly, without giving effect to activities of the Underwriters, which would be prohibited by section 21 of UK Financial Services and Markets Act 2000.

(s) Neither the issue and sale of the Securities nor the consummation of any other of the transactions herein contemplated nor the fulfillment of the terms hereof or the Deposit Agreement or the execution or delivery of this Agreement or the Deposit Agreement will conflict with, result in a breach or violation of, or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to (i) the organizational documents of the Company or any of its subsidiaries; (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its or their property is subject; or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its subsidiaries or any of its or their properties.

(t) No holders of securities of the Company have rights to the registration of such securities under the Registration Statement, except for such rights that have been waived in writing.

(u) The consolidated historical financial statements and schedules of the Company and its consolidated subsidiaries included in the Preliminary Prospectus, the Prospectus and the Registration Statement present fairly the financial condition, results of operations and cash flows of the Company as of the dates and for the periods indicated, comply as to form with the applicable accounting requirements of the Act and have been prepared in conformity with international financial reporting standards applied on a consistent basis throughout the periods involved (except as otherwise noted therein). The selected financial data set forth under the caption “Selected Financial Data” in the Preliminary Prospectus, the Prospectus and Registration Statement fairly present, on the basis stated in the Preliminary Prospectus, the Prospectus and the Registration Statement, the information included therein.

(v) No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or its or their property is pending or, to the knowledge of the Company, threatened that (i) could reasonably be expected to have a material adverse effect on the performance of this Agreement or the consummation of any of the transactions contemplated hereby or (ii) could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), prospects, earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a “Material Adverse Effect”), except as set forth in or contemplated in the Disclosure Package and the Prospectus (exclusive of any supplement thereto).

(w) Each of the Company and each of its subsidiaries owns or leases all such properties as are necessary to the conduct of its operations as presently conducted, except as, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(x) Neither the Company nor any subsidiary is in violation or default of (i) any provision of its articles of association, constitutional documents or bylaws (as the case may be); (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject; or (iii) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or such subsidiary or any of its properties, as applicable, except in the case of clauses (ii) and (iii) as, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(y) The subsidiaries listed on Annex A attached hereto are the only significant subsidiaries of the Company as defined by Rule 1-02 of Regulation S-X.

(z) Ernst & Young Global Limited, who have certified the consolidated financial statements of the Company and its consolidated subsidiaries and delivered their report with respect to the audited consolidated financial statements and schedules included in the Disclosure Package and the Prospectus, are independent public accountants with respect to the Company within the meaning of the Act and the applicable published rules and regulations thereunder.

(aa) Except as described in the Disclosure Package or the Prospectus, there are no transfer taxes or other similar fees or charges under federal law or the laws of any state, or any political subdivision thereof, required to be paid in connection with the execution and delivery of this Agreement or the issuance by the Company or sale by the Company of the Securities.

(bb) The Company has filed all tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure to so file would not have a Material Adverse Effect and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as would not have a Material Adverse Effect.

(cc) No labor problem or dispute with the current or former employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is threatened or imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, that could have a Material Adverse Effect.

(dd) The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; and neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

(ee) No subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's share capital, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except as described in or contemplated by the Disclosure Package and the Prospectus (exclusive of any supplement thereto).

(ff) The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by all applicable authorities necessary to conduct their respective businesses, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect.

(gg) The Company and each of its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company and its subsidiaries' internal controls over financial reporting are effective and the Company and its subsidiaries are not aware of any material weakness in their internal controls over financial reporting.

(hh) The Company and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) under the Exchange Act); such disclosure controls and procedures are effective.

(ii) The Company has not taken, directly or indirectly, without giving effect to activities by the Underwriters, any action designed to or that would constitute, or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

(jj) The Company and its subsidiaries are (i) in compliance with any and all applicable foreign, federal, state and local laws and regulations relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants (collectively, the "Environmental Laws"), (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) have not received notice of any actual or potential liability under any environmental law, except where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability would not, individually or in the aggregate, have a Material Adverse Effect. Neither the Company nor any of the subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

(kk) In the ordinary course of its business, the Company periodically reviews the effect of Environmental Laws on the business, operations and properties of the Company and its subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such review, the Company has reasonably concluded that such associated costs and liabilities would not, singly or in the aggregate, have a Material Adverse Effect.

(ll) None of the following events has occurred or exists: (i) a failure to fulfill the obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA") or any foreign equivalent, and the regulations and published interpretations thereunder with respect to a Plan, determined without regard to any waiver of such obligations or extension of any amortization period; (ii) an audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal or state governmental agency or any foreign regulatory agency with respect to the employment or compensation of employees by any of the Company or any of its subsidiaries that could have a Material Adverse Effect; (iii) any breach of any contractual obligation, or any violation of law or applicable qualification standards, with respect to the employment or compensation of employees by the Company or any of its subsidiaries that could have a Material Adverse Effect. None of the following events has occurred or is reasonably likely to occur: (i) a material increase in the aggregate amount of contributions required to be made to all Plans in the current fiscal year of the Company and its subsidiaries compared to the amount of such contributions made in the most recently completed fiscal year of the Company and its subsidiaries; (ii) a material increase in the "accumulated post-retirement benefit obligations" (within the meaning of Statement of Financial Accounting Standards 106) of the Company and its subsidiaries compared to the amount of such obligations in the most recently completed fiscal year of the Company and its subsidiaries; (iii) any event or condition giving rise to a liability under Title IV of ERISA (or foreign equivalent) that could have a Material Adverse Effect; or (iv) the filing of a claim by one or more employees or former employees of the Company or any of its subsidiaries related to their employment that could have a Material Adverse Effect. For purposes of this paragraph, the term "Plan" means a plan (within the meaning of Section 3(3) of ERISA) subject to Title IV of ERISA with respect to which the Company or any of its subsidiaries may have any liability. None of the Company or its subsidiaries is under a liability or obligation, or a party to any ex-gratia arrangement or promise, to pay, or accustomed to paying, pensions, gratuities, superannuation allowances or the like, or otherwise under any obligation to provide "relevant benefits" within the meaning of section 393B of the Income Tax (Earnings and Pensions) Act 2003 to or for any of its past or present officers or employees or their dependents; and there are no retirement benefit, pension or death benefit or similar schemes or arrangements in relation to, or binding on, the Company or its subsidiaries or to which the Company or any of its subsidiaries contributes.

(mm) There is and has been no failure on the part of the Company and any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act") to which it is or has been subject, including Section 402 relating to loans.

(nn) All of the information provided to the Underwriters or to counsel for the Underwriters by the Company and its counsel, or to the Company's knowledge, by the Company's officers and directors and the holders of any securities (debt or equity) or options to acquire any securities of the Company in connection with the offering of the Securities for purposes of the Underwriters' filings with the Financial Industry Regulatory Authority, Inc. ("FINRA") is true, complete and correct in all material respects.

(oo) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate or other person acting on behalf of the Company or any of its subsidiaries is aware of or has (i) taken any action, directly or indirectly, that could result in a violation or a sanction for violation by such persons of the U.S. Foreign Corrupt Practices Act of 1977 or the U.K. Bribery Act 2010, each as may be amended, or any similar law of any other relevant jurisdiction, or the rules or regulations thereunder (collectively, "Anti-Corruption Laws"); (ii) promised, offered, provided, attempted to provide, or authorized the provision of money or anything of value, directly or indirectly, to any person for the purpose of obtaining or retaining business, influencing any act or decision of the recipient, or securing any improper advantage; or (iii) made, offered, agreed, or requested any unlawful bribe or unlawful benefit including, without limitation, any rebate, payoff, influence payment, kickback, or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted and maintain policies and procedures to ensure compliance with Anti-Corruption Laws. No part of the proceeds of the offering will be used, directly or indirectly, in violation of Anti-Corruption Laws.

(pp) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(qq) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate, or other person acting on behalf of the Company or any of its subsidiaries (i) is, or is controlled or 50% or more owned in the aggregate by, or is acting on behalf of, one or more individuals or entities that are currently the subject of any sanctions administered or enforced by the United States (including, but not limited to, designation on any U.S. Government prohibited party list such as the Specially Designated Nationals and Blocked Persons List or Foreign Sanctions Evaders List which are maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the List of Statutorily Debarred Parties maintained by the U.S. Department of State or the Entity List, Denied Persons List, or Unverified List which are maintained by the Bureau of Industry and Security of the U.S. Department of Commerce), the United Nations Security Council, the European Union, a member state of the European Union (including sanctions administered or enforced by Her Majesty's Treasury of the United Kingdom) or other relevant sanctions authority (collectively, "Sanctions" and such persons, "Sanctioned Persons" and each such person, a "Sanctioned Person"), (ii) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory, including, without limitation, Cuba, Iran, North Korea, Sudan, Syria, and the Crimea Region of the Ukraine (collectively, "Sanctioned Countries" and each, a "Sanctioned Country") or (iii) will, directly or indirectly, use the proceeds of this offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other individual or entity to fund or facilitate any activities of or business with a Sanctioned Person or a Sanctioned Country, or in any manner that would result in a violation of any Sanctions by, or could result in the imposition of Sanctions against, any individual or entity (including any individual or entity participating in the offering, whether as underwriter, advisor, investor or otherwise).

(rr) Neither the Company nor any of its subsidiaries has engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding three years, nor does the Company or any of its subsidiaries have any plans to engage in dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country.

(ss) The Company and its subsidiaries own, possess, license or have other rights to use, on reasonable terms, all patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, know-how and other intellectual property (collectively, "Company Intellectual Property") necessary for the conduct of the Company's business as now conducted or as proposed in the Disclosure Package and Prospectus to be conducted. Except as set forth in the Disclosure Package and Prospectus under the caption "Business—Intellectual Property," (a) to the Company's knowledge, there are no rights of third parties to any Company Intellectual Property, including no liens, security interests or other encumbrances; (b) to the Company's knowledge, there is no material infringement by third parties of any Company Intellectual Property; (c) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the Company's rights in or to any Company Intellectual Property, and the Company is

unaware of any facts which would form a reasonable basis for any such action, suit, proceeding, or claim; (d) Company Intellectual Property has not been adjudged by a court of competent jurisdiction invalid or unenforceable, in whole or in part; (e) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any Company Intellectual Property, including interferences, oppositions, reexaminations, or government proceedings, and the Company is unaware of any facts which would form a reasonable basis for any such action, suit, proceeding, or claim; (f) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company infringes, misappropriates, or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of others, and, except as would not reasonably be expected to have a Material Adverse Effect, the Company is aware of no factual basis for any such action, suit, proceeding, or claim; (g) to the Company's knowledge, there is no prior art that may render any patent held by the Company invalid or any patent application held by the Company unpatentable; and (h) all prior art of which the Company is aware that may be material to the validity of a U.S. patent or to the patentability of a U.S. patent application has been disclosed to the U.S. Patent and Trademark Office, and all such prior art has been disclosed to the patent office of other jurisdictions where required. All licenses to which the Company is a party relating to Company Intellectual Property are in full force and effect and the Company is not in violation of any term of such license.

(tt) The Company (i) does not have any material lending or other relationship with any bank or lending affiliate of any of the Underwriters; and (ii) does not intend to use any of the proceeds from the sale of the Securities hereunder to repay any outstanding debt owed to any affiliate of any of the Underwriters.

(uu) The Company (i) is and at all times has been in compliance in all material respects with all applicable Health Care Laws, rules and regulations in the United States or any other jurisdiction, including, without limitation the Federal Food, Drug and Cosmetic Act (21 U.S.C. §301 et seq.), all applicable federal, state, local and all foreign civil and criminal laws relating to health care fraud and abuse, including but not limited to the federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(b)), the civil False Claims Act (31 U.S.C. §§ 3729 et seq.), criminal false statements (42 U.S.C. §1320a-7b(a)), the health care fraud criminal provisions under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") (42 U.S.C. §§ 1320d et seq.), the exclusion laws (42 U.S.C. § 1320a-7), the U.S. Physician Payments Sunshine Act (42 U.S.C. § 1320a-7h), the civil monetary penalties law (42 U.S.C. §1320a-7a), Medicare (Title XVIII of the Social Security Act), Medicaid (Title XIX of the Social Security Act), HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (42 U.S.C. §§ 17921 et seq.), the Patient Protection and Affordable Care Act (Pub. Law 111-148), as amended by the Health Care and Education Affordability Reconciliation Act of 2010 (Pub. Law 111-152), the regulations promulgated pursuant to such laws, and any successor government programs and comparable state laws, regulations relating to Good Clinical Practices and Good Laboratory Practices, and all other local, state, federal, national, supranational and foreign laws applicable to the regulation of the ownership, testing, development, manufacture, packaging, processing, use, distribution, marketing, advertising, labeling, promotion, sale, offer for sale, storage, import, export or disposal of any product manufactured or distributed by or for the Company (collectively, the "Health Care Laws"); (ii) has not received any notice from any court or arbitrator or governmental or regulatory authority or third party alleging or asserting noncompliance with any Health Care Laws or any licenses, exemptions, certificates, approvals, clearances, authorizations, permits, registrations and supplements or amendments thereto required by any such Health Care Laws ("Authorizations"); (iii) possesses all necessary Authorizations and such Authorizations are valid and in full force and effect and are not in violation of any term of any such Authorizations; (iv) has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation arbitration or other action from any court or arbitrator or governmental or regulatory authority or third party alleging that any product operation or activity is in violation of any Health Care Laws or Authorizations nor is any such claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action threatened; (v) has not received any written notice that any court or arbitrator or governmental or regulatory authority has taken, is taking or intends to take, action to limit, suspend, materially modify or revoke any Authorizations nor is any such limitation, suspension, modification or revocation threatened; (vi) has filed, obtained, maintained or submitted all material reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Health Care Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and accurate on the date filed (or were corrected or supplemented by a subsequent submission); and (vii) has not, nor have any of its officers or directors, nor, to the knowledge of the Company, have any of its employees, been excluded, suspended or debarred from participation in any U.S. state or federal health care program or human clinical research or subject to a governmental inquiry, investigation, proceeding, or other any other Action that could reasonably be expected to result in debarment, suspension, or exclusion; and (viii) is not a party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any governmental or regulatory authority.

(vv) The clinical trials and pre-clinical studies conducted by or on behalf of or sponsored by the Company, or in which the Company has participated, that are described in the Registration Statement, the Disclosure Package and the Prospectus or the results of which are referred to in the Registration Statement, the Disclosure Package and the Prospectus, as applicable, and are intended to be submitted to Regulatory Authorities as a basis for product approval, were and, if still pending, are being conducted in all material respects in accordance with standard medical and scientific research procedures and all applicable statutes, rules and regulations of the United States Food and Drug Administration (the "FDA") and comparable drug regulatory agencies outside of the United States to which they are subject including but not limited to the European Medicines Agency (collectively, the "Regulatory Authorities") and current Good Clinical Practices and Good Laboratory Practices; the descriptions in the Registration Statement, the Disclosure Package or the Prospectus of the results of such studies and trials are accurate and complete in all material respects and fairly present the data derived from such studies and trials; the Company has no knowledge of any other studies or trials the results of which are inconsistent with or otherwise call into question the results described or referred to in the Registration Statement, the Disclosure Package and the Prospectus; the Company is in compliance in all material respects with all applicable statutes, rules and regulations of the Regulatory Authorities and has not received any written notices, correspondence or other communication from the Regulatory Authorities or any other governmental agency which could lead to the termination or suspension of any clinical trials or pre-clinical studies that are described in the Registration Statement, the Disclosure Package and the Prospectus or the results of which are referred to in the Registration Statement, Disclosure Package or the Prospectus, and, to the Company's knowledge, there are no reasonable grounds for same.

(ww) The Company possesses all licenses, certificates, permits and other authorizations (collectively, "Permits") issued by, and has made all declarations and filings with, the applicable federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of its properties or the conduct of its businesses as described in the Registration Statement, the Disclosure Package and the Prospectus, or to permit all clinical trials and nonclinical studies conducted by or on behalf of the Company, including, without limitation, all necessary FDA and applicable foreign regulatory agency approvals; the Company is not in violation of, or in default under, any such Permit; and the Company has not received notice of any revocation, suspension or modification of any such Permit and does not have any reason to believe that any such Permit will not be renewed in the ordinary course. The Company (i) is, and at all times has been, in compliance with all Applicable Laws; and (ii) has not received any FDA Form 483, written notice of adverse finding, warning letter, untitled letter or other correspondence or written notice from any court or arbitrator or governmental or regulatory authority alleging or asserting non-compliance with (A) any Applicable Laws or (B) any Permits required by any such Applicable Laws.

(xx) To the knowledge of the Company, the manufacturing facilities and operations of its suppliers are operated in compliance with all applicable statutes, rules, regulations and policies of the Regulatory Authorities.

(yy) None of the Company's product candidates have received marketing approval from any Regulatory Authority.

(zz) The Company is a "foreign private issuer" within the meaning of Rule 405 under the Act.

(aaa) Based on the Company's current estimates and characterization of its gross income and its gross assets, and the nature of its business and its current business plan, the Company believes that it is not, as of the date hereof, and will not become, upon the sale of the Offered Securities as contemplated by this Agreement, a "passive foreign investment company" (as defined in Section 1297 of the Code, and the regulations promulgated thereunder).

(bbb) Except as described in the Disclosure Package or the Prospectus, there are no transfer taxes, stamp duties, capital duties, stamp duty reserve tax or other similar fees or charges under the laws of the United Kingdom, federal law or the laws of any state, or any political subdivision thereof, required to be paid by or on behalf of the Underwriters or the Company in connection with the execution and delivery of this Agreement or the Deposit Agreement or the issuance by the Company to the Underwriters of the Offered Securities or the Shares or the sale by the Company of the Offered Securities to the Underwriters, in each case as contemplated by this Agreement. Except pursuant to this Agreement, there is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder's fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(ccc) The statistical and market-related data included in the Registration Statement, the Disclosure Package and the Prospectus are based on or derived from sources which the Company reasonably and in good faith believes are reliable and accurate in all material respects.

(ddd) Each financial or operational projection or other "forward-looking statement" (as defined by Section 27A of the Act or Section 21E of the Exchange Act) contained in the Registration Statement, the Prospectus or the Prospectus (i) was so included by the Company in good faith and with reasonable basis after due consideration by the Company of the underlying assumptions, estimates and other applicable facts and circumstances and (ii) is accompanied by meaningful cautionary statements identifying those factors that could cause actual results to differ materially from those in such forward-looking statement.

(eee) Except as set forth in the Disclosure Package and the Prospectus, neither the Company nor any of its subsidiaries nor any of its or their properties or assets has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise).

Any certificate signed by any officer of the Company and delivered to the Representatives or counsel for the Underwriters in connection with the offering of the Offered Securities shall be deemed a representation and warranty by the Company, as to matters covered thereby, to each Underwriter.

2. Purchase and Sale. (a) Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to issue to each Underwriter, and each Underwriter agrees, severally and not jointly, to subscribe for from the Company, at a purchase price of $[●] per ADS, the amount of the Underwritten Securities set forth opposite such Underwriter's name in Schedule I hereto.

(b) Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company hereby grants an option to the several Underwriters to purchase, severally and not jointly, up to [●] Option Securities at the same purchase price per ADS as the Underwriters shall pay for the Underwritten Securities, less an amount per ADS equal to any dividends or distributions declared by the Company and payable on the Underwritten Securities but not payable on the Option Securities. Said option may be exercised only to cover over-allotments in the sale of the Underwritten Securities by the Underwriters. Said option may be exercised in whole or in part at any time on or before the 30th day after the date of the Prospectus upon written, electronic or telegraphic notice by the Representatives to the Company setting forth the number of Option Securities as to which the several Underwriters are exercising the option and the settlement date. The number of Option Securities to be purchased by each Underwriter shall be the same percentage of the total number of the Option Securities to be purchased by the several Underwriters as such Underwriter is purchasing of the Underwritten Securities, subject to such adjustments as you in your absolute discretion shall make to eliminate any fractional shares.

3. Delivery and Payment. Delivery of and payment for the Underwritten Securities, and the Option Securities (if the option provided for in Section 2(b) hereof shall have been exercised on or before the third Business Day immediately preceding the Closing Date), shall be made at 10:00 AM, New York City time, on [●], 2017, or at such time on such later date not more than three Business Days after the foregoing date as the Representatives shall designate, which date and time may be postponed by agreement between the Representatives and the Company or as provided in Section 9 hereof (such date and time of delivery and payment for the Securities being herein called the "Closing Date"). Delivery of the Offered Securities in the form of ADSs shall be made to the Representatives for the respective accounts of the several Underwriters against payment by the several Underwriters through the Representatives of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to an account specified by the Company. Delivery of the Underwritten Securities and the Option Securities shall be made through the facilities of The Depository Trust Company unless the Representatives shall otherwise instruct.

If the option provided for in Section 2(b) hereof is exercised after the third Business Day immediately preceding the Closing Date, the Company will deliver the Option Securities (at the expense of the Company) to the Representatives, at 388 Greenwich Street, New York, New York 10013, on the date specified by the Representatives (which shall be within three Business Days after exercise of said option) for the respective accounts of the several Underwriters, against payment by the several Underwriters through the Representatives of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to an account specified by the Company. If settlement for the Option Securities occurs after the Closing Date, the Company will deliver to the Representatives on the settlement date for

the Option Securities in the form of ADSs, and the obligation of the Underwriters to purchase the Option Securities shall be conditioned upon receipt of, supplemental opinions, certificates and letters confirming as of such date the opinions, certificates and letters delivered on such settlement date pursuant to Section 6 hereof.

The ADR certificates, if any, evidencing the Underwritten Securities and Option Securities shall be registered in such names and in such denominations as the Representatives may request not less than two full Business Days prior to such Closing Date or the settlement date for the Option Securities, as the case may be.

4. Offering by Underwriters. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Prospectus.

5. Agreements. The Company agrees with the several Underwriters that:

(a) Prior to the termination of the offering of the Securities, the Company will not file any amendment of the Registration Statement or the F-6 Registration Statement or supplement to the Prospectus or any Rule 462(b) Registration Statement unless the Company has furnished you a copy for your review prior to filing and will not file any such proposed amendment or supplement to which you reasonably object. The Company will cause the Prospectus, properly completed, and any supplement thereto to be filed in a form approved by the Representatives with the Commission pursuant to the applicable paragraph of Rule 424(b) within the time period prescribed and will provide evidence satisfactory to the Representatives of such timely filing. The Company will promptly advise the Representatives (i) when the Prospectus, and any supplement thereto, shall have been filed (if required) with the Commission pursuant to Rule 424(b) or when any Rule 462(b) Registration Statement or the F-6 Registration Statement shall have been filed with the Commission; (ii) when, prior to termination of the offering of the Securities, any amendment to the Registration Statement or the F-6 Registration Statement shall have been filed or become effective; (iii) of any request by the Commission or its staff for any amendment of the Registration Statement, the F-6 Registration Statement or any Rule 462(b) Registration Statement, or for any supplement to the Prospectus or for any additional information; (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the F-6 Registration Statement, or of any notice objecting to their use or the institution or threatening of any proceeding for that purpose; and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the institution or threatening of any proceeding for such purpose. The Company will use its best efforts to prevent the issuance of any such stop order or the occurrence of any such suspension or objection to the use of the Registration Statement or the F-6 Registration Statement and, upon such issuance, occurrence or notice of objection, to obtain as soon as possible the withdrawal of such stop order or relief from such occurrence or objection, including, if necessary, by filing an amendment to the Registration Statement or the F-6 Registration Statement, or a new registration statement and using its best efforts to have such amendment or new registration statement declared effective as soon as practicable.

(b) If, at any time prior to the filing of the Prospectus pursuant to Rule 424(b), any event occurs as a result of which the Disclosure Package would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein in the light of the circumstances under which they were made at such time not misleading, the Company will (i) notify promptly the Representatives so that any use of the Disclosure Package may cease until it is amended or supplemented; (ii) amend or supplement the Disclosure Package to correct such statement or omission; and (iii) supply any amendment or supplement to you in such quantities as you may reasonably request.

(c) If, at any time when a prospectus relating to the Securities is required to be delivered under the Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172), any event occurs as a result of which the Prospectus as then supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein in the light of the circumstances under which they were made or the circumstances then prevailing not misleading, or if it shall be necessary to amend the Registration Statement or supplement the Prospectus to comply with the Act or the rules thereunder, the Company promptly will (i) notify the Representatives of any such event; (ii) prepare and file with the Commission, subject to the second sentence of paragraph (a) of this Section 5, an amendment or supplement which will correct such statement or omission or effect such compliance; and (iii) supply any supplemented Prospectus to you in such quantities as you may reasonably request.

(d) As soon as practicable, the Company will make generally available to its security holders and to the Representatives an earnings statement or statements of the Company and its subsidiaries, which will satisfy the provisions of Section 11(a) of the Act and Rule 158.

(e) The Company will furnish to the Representatives and counsel for the Underwriters, without charge, signed copies of the Registration Statement and the F-6 Registration Statement (including exhibits thereto) and to each other Underwriter a copy of the Registration Statement and the F-6 Registration Statement (without exhibits thereto) and, so long as delivery of a prospectus by an Underwriter or dealer may be required by the Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172), as many copies of each Preliminary Prospectus, the Prospectus and each Issuer Free Writing Prospectus and any supplement thereto as the Representatives may reasonably request. The Company will pay the expenses of printing or other production of all documents relating to the offering.

(f) The Company will arrange, if necessary, for the qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives may designate and will maintain such qualifications in effect so long as required for the distribution of the Offered Securities; provided that in no event shall the Company be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to service of process in suits, other than those arising out of the offering or sale of the Offered Securities, in any jurisdiction where it is not now so subject.

(g) The Company will not, without the prior written consent of the Representatives, offer, sell, contract to sell, pledge, or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company or any affiliate of the Company (except as permitted by the lock-up letter described in Section 6(m) hereof)) directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act, any other Shares or ADSs, or any securities convertible into, or exercisable, or exchangeable for, Shares or ADSs; or publicly announce an intention to effect any such transaction, for a period of 180 days after the date of this Agreement, provided, however, that the Company may (i) issue and sell securities pursuant to any stock option plan, stock ownership plan or dividend reinvestment plan of the Company described in the Disclosure Package and the Prospectus; (ii) issue Ordinary Shares issuable upon the conversion of securities outstanding at the Execution Time or upon the exercise of options issued under any stock option plan, stock ownership plan or dividend reinvestment plan of the Company described in the Disclosure Package and the Prospectus; (iii) issue securities convertible into Ordinary Shares pursuant to the series B conversion adjustment to be effected prior to the initial Closing, as described in the Disclosure Package and the Prospectus; (iv) file one or more registration statements on Form S-8 relating to stock option or employee benefit plans described in the Disclosure Package and Prospectus; and (v) issue Ordinary Shares or securities convertible into Ordinary Shares representing in the aggregate no more than 5% of the Company's issued and outstanding Ordinary Shares following the Closing Date to one or more counterparties in connection with the consummation of a credit facility, strategic partnership, joint venture, collaboration, or the acquisition or license of any business or intellectual property, provided, however, that the recipients of any such securities agree to be bound by a lock-up agreement in substantially the form of Exhibit A hereto.

(h) If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 6(m) hereof for an officer or director of the Company and provides the Company with notice of the impending release or waiver at least three Business Days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit B hereto through a major news service at least two Business Days before the effective date of the release or waiver.

(i) The Company will use the net proceeds received by it from the sale of the Securities in all material respects in the manner specified in the Disclosure Package under the heading "Use of Proceeds."

(j) The Company will use its reasonable best efforts to maintain the listing for, subject to notice of issuance, ADSs issued and sold by the Company on the NASDAQ Global Market.

(k) The Company will file with the Commission such reports as may be required by Rule 463 under the Act.

(l) The Company will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares or the ADSs.

(m) The Company agrees to pay the costs and expenses relating to the following matters: (i) the preparation, printing or reproduction and filing with the Commission of the Registration Statement (including financial statements and exhibits thereto), each Preliminary Prospectus, the Prospectus, each Issuer Free Writing Prospectus and the F-6 Registration Statement, and each amendment or supplement to any of them; (ii) the preparation of the Deposit Agreement, the deposit of the Shares under the Deposit Agreement, the issuance thereunder of ADSs representing such deposited Shares, the issuance of ADRs evidencing such ADSs and the fees of the Depositary; (iii) the printing (or reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of such copies of the Registration Statement, each Preliminary Prospectus, the Prospectus, the F-6 Registration Statement and each Issuer Free Writing Prospectus, and all amendments or supplements to any of them, as may, in each case, be reasonably requested for use in connection with the offering and sale of the Securities; (iv) the preparation, printing, authentication, issuance and delivery of certificates for the Securities, including any stamp or transfer taxes in connection with the original issuance and sale of the Securities; (v) the printing (or reproduction) and delivery of this Agreement, any blue sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the offering of the Securities; (vi) the registration of the Securities under the Exchange Act and the listing of the Securities on the NASDAQ Global Market; (vii) any registration or qualification of the Securities for offer and sale under the securities or blue sky laws of the several states (including filing fees and the reasonable fees and expenses of counsel for the Underwriters relating to such registration and qualification); (viii) any filings required to be made with the FINRA (including filing fees and the reasonable fees and expenses of counsel for the Underwriters relating to such filings, which fees and expenses of counsel, together with the fees and expenses of counsel described in clause (vii), shall not exceed $30,000 in the aggregate); (ix) the transportation and other expenses incurred by or on behalf of Company representatives in connection with presentations to prospective purchasers of the Securities, provided that the Underwriters shall be responsible for 50% of the cost of any aircraft chartered in connection with the road show; (x) the fees and expenses of the Company's accountants and the fees and expenses of counsel (including local and special counsel) for the Company; and (xi) all other costs and expenses incident to the performance by the Company of its obligations hereunder.

(n) The Company agrees that, unless it has or shall have obtained the prior written consent of the Representatives, and each Underwriter, severally and not jointly, agrees with the Company that, unless it has or shall have obtained, as the case may be, the prior written consent of the Company, it has not made and will not make any offer relating to the Securities that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus" (as defined in Rule 405) required to be filed by the Company with the Commission or retained by the Company under Rule 433; provided that the prior written consent of the parties hereto shall be deemed to have been given in respect of the Free Writing Prospectuses included in Schedule II hereto and any electronic road show. Any such free writing prospectus consented to by the Representatives or the Company is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company agrees that (x) it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and (y) it has complied and will comply, as the case may be, with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including in respect of timely filing with the Commission, legending and record keeping.

(o) The Company will notify promptly the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (a) completion of the distribution of the Securities within the meaning of the Act and (b) completion of the 180-day restricted period referred to in Section 5(g) hereof.

(p) If at any time following the distribution of any Written Testing-the-Waters Communication, any event occurs as a result of which such Written Testing-the-Waters Communication would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein in the light of the circumstances under which they were made at such time not misleading, the Company will (i) notify promptly the Representatives so that use of the Written Testing-the-Waters Communication may cease until it is

amended or supplemented; (ii) amend or supplement the Written Testing-the-Waters Communication to correct such statement or omission; and (iii) supply any amendment or supplement to the Representatives in such quantities as may be reasonably requested.

(q) The Company agrees, at or prior to such Closing Date, to facilitate the issue of the Shares underlying the Offered Securities to the Custodian in accordance with the provisions of the Deposit Agreement and otherwise to comply with the Deposit Agreement so that ADSs will be issued by the Depositary against receipt of such Shares and delivered to the Underwriters on such Closing Date.

(r) The Company will make the appropriate filings with Companies House in England in relation to allotment of the Shares underlying the Offered Securities.

6. Conditions to the Obligations of the Underwriters. The obligations of the Underwriters to subscribe for the Underwritten Securities and the Option Securities, as the case may be, shall be subject to the accuracy of the representations and warranties on the part of the Company contained herein as of the Execution Time, such Closing Date and any settlement date of the Option Securities, to the accuracy of the statements of the Company made in any certificates pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions:

(a) The Prospectus, and any supplement thereto, have been filed in the manner and within the time period required by Rule 424(b); any material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time periods prescribed for such filings by Rule 433; and no stop order suspending the effectiveness of the Registration Statement or the F-6 Registration Statement, or any notice objecting to their use shall have been issued and no proceedings for that purpose shall have been instituted or threatened.

(b) The Company shall have requested and caused Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., U.S. counsel for the Company, to have furnished to the Representatives their opinion and negative assurance letter, each dated as of such Closing Date and addressed to the Representatives, in form and substance satisfactory to the Representatives.

(c) The Company shall have requested and caused Bristows LLP, as UK counsel to the Company, to have furnished to the Representatives such opinion or opinions dated as of such Closing Date and addressed to the Representatives, in form and substance satisfactory to the Representatives.

(d) The Company shall have requested and caused Foley Hoag LLP, as U.S. intellectual property counsel to the Company, to have furnished to the Representatives such opinion or opinions each dated as of such Closing Date and addressed to the Representatives, in form and substance satisfactory to the Representatives.

(e) The Company shall have requested and caused HGF Limited, as intellectual property counsel to the Company, to have furnished to the Representatives such opinion or opinions each dated as of such Closing Date and addressed to the Representatives, in form and substance satisfactory to the Representatives.

(f) The Representatives shall have received from Cooley LLP, counsel for the Underwriters, such opinion or opinions, dated as of such Closing Date and addressed to the Representatives, with respect to the issuance and sale of the Securities, the Registration Statement, the Disclosure Package, the Prospectus (together with any supplement thereto) and other related matters as the Representatives may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(g) The Depositary shall have requested and caused Patterson Belknap Webb & Tyler LLP, counsel for the Depositary, to have furnished to the Representatives its opinion or opinions each dated as of such Closing Date and addressed to the Representatives, to the effect that:

(i) the Deposit Agreement has been duly authorized, executed and delivered by the Depositary and constitutes a valid and binding agreement of the Depositary enforceable against the Depositary in accordance with its terms;

(ii) upon execution and delivery by the Depositary of ADRs evidencing the ADSs against the deposit of the Securities in accordance with the provisions of the Deposit Agreement, the ADSs will be validly issued and will entitle the holders of the ADSs to the rights specified in those ADRs and in the Deposit Agreement.

(h) The Company shall have furnished to the Representatives a certificate of the Company, signed by the Chief Executive Officer and the principal financial or accounting officer of the Company, dated such Closing Date, to the effect that the signers of such certificate have carefully examined the Registration Statement, the F-6 Registration Statement, the Disclosure Package, the Prospectus and any amendment or supplement thereto, as well as each electronic road show used in connection with the offering of the Securities, and this Agreement and that:

(i) the representations and warranties of the Company in this Agreement are true and correct on and as of such Closing Date with the same effect as if made on such Closing Date and the Company has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied at or prior to such Closing Date;

(ii) no stop order suspending the effectiveness of the Registration Statement or the F-6 Registration Statement, or any notice objecting to their use has been issued and no proceedings for that purpose have been instituted or, to the Company's knowledge, threatened; and

(iii) since the date of the most recent financial statements included in the Disclosure Package and the Prospectus (exclusive of any supplement thereto), there has been no Material Adverse Effect, except as set forth in or contemplated in the Disclosure Package and the Prospectus (exclusive of any supplement thereto).

(i) The Representatives shall have received from Ernst & Young Global Limited, independent registered public accounting firm for the Company, at the Execution Time and at such Closing Date, letters, dated respectively as of the Execution Time and as of such Closing Date, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type ordinarily included in accountant's "comfort letters" to underwriters, delivered according to Statement of Auditing Standards No. 72 (or any successor bulletin), with respect to the audited and unaudited financial statements and certain financial information contained in the Registration Statement, the Disclosure Package, and each free writing prospectus, if any.

(j) Subsequent to the Execution Time or, if earlier, the dates as of which information is given in the Registration Statement (exclusive of any amendment thereof) and the Prospectus (exclusive of any amendment or supplement thereto), there shall not have been (i) any change or decrease specified in the letter or letters referred to in paragraph (e) of this Section 6; or (ii) any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in the Disclosure Package and the Prospectus (exclusive of any supplement thereto) the effect of which, in any case referred to in clause (i) or (ii) above, is, in the sole judgment of the Representatives, so material and adverse as to make it impractical or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Registration Statement (exclusive of any amendment thereof), the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto).

(k) The Deposit Agreement shall be in full force and effect and the Company and the Depositary shall have taken all action necessary to permit the deposit of the Shares and the issuance of the ADSs in accordance with the Deposit Agreement.

(l) The Depositary shall have furnished or caused to be furnished to the Representatives a certificate of one of its authorized officers, satisfactory to the Representatives, evidencing the deposit with the Custodian of the Shares against the issuance of the ADSs to be delivered by the Company at such Closing Date, the execution, issuance, countersignature (if applicable) and delivery of the ADSs pursuant to the Deposit Agreement and such other matters related thereto as the Representatives reasonably request.

(m) At or prior to each Closing Date, the Company shall have furnished to the Representatives such further information, certificates and documents as the Representatives may reasonably request.

(n) Subsequent to the Execution Time, there shall not have been any decrease in the rating of any of the Company's debt securities by any "nationally recognized statistical rating organization" (as defined for purposes of Rule 3(a)(62) under the Exchange Act) or any notice given of any intended or potential decrease in any such rating or of a possible change in any such rating that does not indicate the direction of the possible change.

(o) The ADSs shall have been listed and admitted and authorized for trading on the NASDAQ Global Market, and satisfactory evidence of such actions shall have been provided to the Representatives.

(p) At or before the Execution Time, the Company shall have furnished to the Representatives a lock-up agreement substantially in the form of Exhibit A hereto from each officer and director of the Company and substantially all securityholders of the Company addressed to the Representatives.

If any of the conditions specified in this Section 6 shall not have been fulfilled when and as provided in this Agreement, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not be reasonably satisfactory in form and substance to the Representatives and counsel for the Underwriters, this Agreement and all obligations of the Underwriters hereunder may be canceled at, or at any time prior to, such Closing Date by the Representatives. Notice of such cancellation shall be given to the Company in writing or by telephone or facsimile confirmed in writing.

The documents required to be delivered by this Section 6 shall be delivered at the office of Cooley LLP, counsel for the Underwriters, at Cooley LLP, The Grace Building, 1114 Avenue of the Americas, New York, New York 10036, on such Closing Date.

7. Reimbursement of Underwriters' Expenses. If the sale of the Securities provided for herein is not consummated because any condition to the obligations of the Underwriters set forth in Section 6 hereof is not satisfied, because of any termination pursuant to Section 10 hereof or because of any refusal, inability or failure on the part of the Company to perform any agreement herein or comply with any provision hereof other than by reason of a default by any of the Underwriters, the Company will reimburse the Underwriters severally through the Representatives on demand for all accountable expenses (including reasonable fees and disbursements of counsel) that shall have been incurred by them in connection with the proposed purchase and sale of the Securities.

8. Indemnification and Contribution. (a) The Company agrees to indemnify and hold harmless each Underwriter, the directors, officers, employees, affiliates and agents of each Underwriter and each person who controls any Underwriter within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement for the registration of the Securities as originally filed or in any amendment thereof, or in the F-6 Registration Statement as originally filed or in any amendment thereof, or in any Preliminary Prospectus, or the Prospectus, any Issuer Free Writing Prospectus, or any Written Testing-the-Waters Communication, or in any Prospectus, or in any amendment thereof or supplement thereto or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein not misleading, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representatives specifically for inclusion therein. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Each Underwriter severally and not jointly agrees to indemnify and hold harmless the Company, each of its directors, each of its officers who signs the Registration Statement or the F-6 Registration Statement, and each person who controls the Company within the meaning of either the Act or the Exchange Act, to the same extent

as the foregoing indemnity from the Company to each Underwriter, but only with reference to written information relating to such Underwriter furnished to the Company by or on behalf of such Underwriter through the Representatives specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability which any Underwriter may otherwise have. The Company acknowledges that the statements (i) set forth in the last paragraph of the cover page regarding delivery of the Securities; and (ii) under the heading "Underwriting", (x) the list of Underwriters and their respective participation in the sale of the Securities, (y) the sentences related to concessions and reallowances, and (z) the paragraph related to stabilization, syndicate covering transactions and penalty bids in the Preliminary Prospectus and the Prospectus constitute the only information furnished in writing by or on behalf of the several Underwriters for inclusion in the Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding; and (ii) does not include an admission of fault.

(d) In the event that the indemnity provided in paragraph (a), (b) or (c) of this Section 8 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Company and the Underwriters severally agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending the same) (collectively "Losses") to which the Company and one or more of the Underwriters may be subject in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and by the Underwriters on the other from the offering of the Securities. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the Company and the Underwriters severally shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the Company shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by it, and benefits received by the Underwriters shall be deemed to be equal to the total underwriting discounts and commissions, in each case as set forth on the cover page of the Prospectus. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the Company on the one hand or the Underwriters on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company and the Underwriters agree that it would not be just and equitable if contribution were

determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Securities exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 8, each person who controls an Underwriter within the meaning of either the Act or the Exchange Act and each director, officer, employee, affiliate and agent of an Underwriter shall have the same rights to contribution as such Underwriter, and each person who controls the Company within the meaning of either the Act or the Exchange Act, each officer of the Company who shall have signed the Registration Statement, the F-6 Registration Statement and each director of the Company shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this paragraph (d).

9. Default by an Underwriter. If any one or more Underwriters shall fail to purchase and pay for any of the Securities agreed to be purchased by such Underwriter or Underwriters hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Underwriters shall be obligated severally to take up and pay for (in the respective proportions which the amount of Securities set forth opposite their names in Schedule I hereto bears to the aggregate amount of Securities set forth opposite the names of all the remaining Underwriters) the Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase; provided, however, that in the event that the aggregate amount of Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase shall exceed 10% of the aggregate amount of Securities set forth in Schedule I hereto, the remaining Underwriters shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Securities, and if such nondefaulting Underwriters do not purchase all the Securities, this Agreement will terminate without liability to any nondefaulting Underwriter or the Company. In the event of a default by any Underwriter as set forth in this Section 9, the Closing Date shall be postponed for such period, not exceeding five Business Days, as the Representatives shall determine in order that the required changes in the Registration Statement, the F-6 Registration Statement and the Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Underwriter of its liability, if any, to the Company and any nondefaulting Underwriter for damages occasioned by its default hereunder.

10. Termination. This Agreement shall be subject to termination in the absolute discretion of the Representatives, by notice given to the Company prior to delivery of and payment for the Securities, if at any time prior to such delivery and payment (i) trading in the Company's securities shall have been suspended by the Commission or the NASDAQ Global Market or trading in securities generally on the New York Stock Exchange or Euronext or in the over-the-counter market shall have been suspended or limited or minimum prices shall have been established on any of such stock exchanges; (ii) a banking moratorium shall have been declared either by federal or state authorities in the United States or authorities in the United Kingdom; (iii) there shall have occurred a material disruption in commercial banking or securities settlement or clearance services; (iv) there shall have occurred any outbreak of or escalation in hostilities involving the United States or the United Kingdom, or there shall have been a declaration of a national emergency or war by the United States or the United Kingdom or other calamity or crisis the effect of which on the United States or the United Kingdom, or the United States or the United Kingdom shall have become engaged in hostilities, or subject of an act of terrorism; or (v) there shall have occurred such a material adverse change in general economic, political or financial conditions (or the effect of international conditions on the financial markets in the United States or the United Kingdom shall be such) as to make it in the sole judgment of the Representatives, impracticable or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Preliminary Prospectus or the Prospectus (exclusive of any supplement thereto).

11. Representations and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Company or its officers and of the Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter or the Company or any of the officers, directors, employees, agents, affiliates or controlling persons referred to in Section 8 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 7 and 8 hereof shall survive the termination or cancellation of this Agreement.

12. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to the Representatives, will be mailed, delivered or telefaxed to (i) Citigroup Global Markets Inc., Attention: General Counsel, at facsimile no.: +1 646 291 1469 and confirmed to the General Counsel, Citigroup Global Markets Inc., at 388 Greenwich Street, New York, New York 10013, Attention: General Counsel; (ii) Jefferies LLC, Attention: General Counsel, at facsimile no.: +1 646 619 4437 and confirmed to the General Counsel, Jefferies LLC, 520 Madison Avenue, New York, New York 10022; or (iii) Cowen and Company, LLC, Attention: Head of Equity Capital Markets, at facsimile no.: + 1 646 562 1124 and to be confirmed at 599 Lexington Avenue, New York, New York 10022, (or, if sent to the Company, will be mailed, telefaxed or delivered to NuCana plc, facsimile number: [●], and confirmed to it at 10 Lochside Place, Edinburgh, UK, EH12 9RG, Attention: Hugh S. Griffith, Chief Executive Officer.

13. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers, directors, employees, agents and controlling persons referred to in Section 8 hereof, and no other person will have any right or obligation hereunder.

14. Jurisdiction. The Company agrees that any suit, action or proceeding against the Company brought by any Underwriter, the directors, officers, employees, affiliates and agents of any Underwriter, or by any person who controls any Underwriter, arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in any State or U.S. federal court in The City of New York and County of New York, and waives any objection which it may now or hereafter have to the laying of venue of any such proceeding, and irrevocably submits to the non-exclusive jurisdiction of such courts in any suit, action or proceeding. The Company hereby appoints Corporation Service Company as its authorized agent (the "Authorized Agent") upon whom process may be served in any suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated herein that may be instituted in any State or U.S. federal court in The City of New York and County of New York, by any Underwriter, the directors, officers, employees, affiliates and agents of any Underwriter, or by any person who controls any Underwriter, and expressly accepts the non-exclusive jurisdiction of any such court in respect of any such suit, action or proceeding. The Company hereby represents and warrants that the Authorized Agent has accepted such appointment and has agreed to act as said agent for service of process, and the Company agrees to take any and all action, including the filing of any and all documents that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process upon the Company.

15. Judgment Currency. The obligations of the Company pursuant to this Agreement in respect of any sum due to any Underwriter shall, notwithstanding any judgment in a currency other than United States dollars, not be discharged until the first Business Day, following receipt by such Underwriter of any sum adjudged to be so due in such other currency, on which (and only to the extent that) such Underwriter may in accordance with normal banking procedures purchase United States dollars with such other currency; if the United States dollars so purchased are less than the sum originally due to such Underwriter hereunder, the Company agrees, as a separate obligation and notwithstanding any such judgment, to indemnify such Underwriter against such loss.

16. No Fiduciary Duty. The Company hereby acknowledges that (a) the purchase and sale of the Securities pursuant to this Agreement is an arm's-length commercial transaction between the Company, on the one hand, and the Underwriters and any affiliate through which it may be acting, on the other, (b) the Underwriters are acting as principal and not as an agent or fiduciary of the Company and (c) the Company's engagement of the Underwriters in connection with the offering and the process leading up to the offering is as independent contractors and not in any other capacity. Furthermore, the Company agrees that it is solely responsible for making its own judgments in connection with the offering (irrespective of whether any of the Underwriters has advised or is currently advising the Company on related or other matters). The Company agrees that it will not claim that the Underwriters have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

17. Integration. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company and the Underwriters, or any of them, with respect to the subject matter hereof.

18. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed within the State of New York.

19. Waiver of Jury Trial. The Company hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

20. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

21. Headings. The section headings used herein are for convenience only and shall not affect the construction hereof.

22. Definitions. The terms that follow, when used in this Agreement, shall have the meanings indicated.

"Act" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Business Day" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in New York City.

"Commission" shall mean the Securities and Exchange Commission.

"Disclosure Package" shall mean (i) the Preliminary Prospectus that is generally distributed to investors and used to offer the Securities; (ii) the Issuer Free Writing Prospectuses, if any, identified in Schedule II hereto; and (iii) any other Free Writing Prospectus that the parties hereto shall hereafter expressly agree in writing to treat as part of the Disclosure Package.

"Effective Date" shall mean each date and time that the Registration Statement and the F-6 Registration Statement, any post-effective amendment or amendments thereto and any Rule 462(b) Registration Statement became or becomes effective.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Execution Time" shall mean the date and time that this Agreement is executed and delivered by the parties hereto.

"F-6 Registration Statement" shall mean the registration statement referred to in Section 1(c) hereof, including all exhibits thereto, each as amended at the time such part of the registration statement became effective.

"Free Writing Prospectus" shall mean a free writing prospectus, as defined in Rule 405.

"Issuer Free Writing Prospectus" shall mean an issuer free writing prospectus, as defined in Rule 433.

"Preliminary Prospectus" shall mean any preliminary prospectus referred to in paragraph 1(a) above and any preliminary prospectus included in the Registration Statement at the Effective Date that omits Rule 430A Information.

"Prospectus" shall mean the prospectus relating to the Securities that is first filed pursuant to Rule 424(b) after the Execution Time.

"Registration Statement" shall mean the registration statement referred to in Section 1(a) hereof, including exhibits and financial statements and any prospectus supplement relating to the Securities that is filed with the Commission pursuant to Rule 424(b) and deemed part of such registration statement pursuant to Rule 430A, as amended at the Execution Time and, in the event any post-effective amendment thereto or any Rule 462(b) Registration Statement becomes effective prior to such Closing Date, shall also mean such registration statement as so amended or such Rule 462(b) Registration Statement, as the case may be.

"Rule 158," "Rule 172," "Rule 405," "Rule 424," "Rule 430A," "Rule 433," Rule 463 and "Rule 501" refer to such rules under the Act.

"Rule 430A Information" shall mean information with respect to the Securities and the offering thereof permitted to be omitted from the Registration Statement when it becomes effective pursuant to Rule 430A.

"Rule 462(b) Registration Statement" shall mean a registration statement and any amendments thereto filed pursuant to Rule 462(b) relating to the offering covered by the registration statement referred to in Section 1(a) hereof.

[*Signature pages follow*]

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company and the several Underwriters.

Very truly yours,

NUCANA PLC

By: _____
Name:
Title:

The foregoing Agreement is hereby confirmed and accepted as of the date first above written.

Citigroup Global Markets Inc.
Jefferies LLC
Cowen and Company, LLC

For themselves and the other several Underwriters named in Schedule I to the foregoing Agreement.

By: Citigroup Global Markets Inc.

By: _____
Name:
Title:

By: Jefferies LLC

By: _____
Name:
Title:

By: Cowen and Company, LLC

By: _____
Name:
Title:

SCHEDULE I

Underwriters	Number of Underwritten Securities to be Purchased
Citigroup Global Markets Inc.	
Jefferies LLC	
Cowen and Company, LLC	
William Blair & Company, L.L.C.	
Total	

SCHEDULE II

Schedule of Free Writing Prospectuses included in the Disclosure Package

SCHEDULE III

Schedule of Written Testing-the-Waters Communication

EXHIBIT A

Form of Lock-up Agreement

Lock-Up Agreement

NuCana plc
Public Offering of Ordinary Shares,
which may be in the form of American Depositary Shares

, 2017

Citigroup Global Markets Inc.
Jefferies LLC
Cowen and Company, LLC
As Representatives of the several Underwriters,

c/o Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013

c/o Jefferies LLC
520 Madison Avenue
New York, New York 10022

c/o Cowen and Company, LLC
599 Lexington Avenue
New York, New York 10022

Ladies and Gentlemen:

This letter agreement (this "***Agreement***") is being delivered to you in connection with the proposed Underwriting Agreement (the "***Underwriting Agreement***"), between NuCana plc, a public limited company organized under the laws of England and Wales (the "***Company***"), and each of you, Citigroup Global Markets Inc., Jefferies LLC and Cowen and Company, LLC, as representatives (the "***Representatives***") of a group of underwriters named therein (the "***Underwriters***"), relating to an underwritten public offering (the "***Offering***") of the Company's ordinary shares, par value of £0.01 per share (the "***Ordinary Shares***"), which may be in the form of American Depositary Shares ("***ADSs***").

In order to induce you and the other Underwriters to enter into the Underwriting Agreement, the undersigned will not, without the prior written consent of the Representatives, offer, sell, contract to sell, pledge or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the undersigned or any affiliate of the undersigned), directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Securities and Exchange Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and the rules and regulations of the Securities and Exchange Commission promulgated thereunder, with respect to, any ADSs, Ordinary Shares or securities convertible into, or exercisable or exchangeable for ADSs or Ordinary Shares of the Company, or publicly announce an intention to effect any such transaction, for a period from the date hereof until 180 days after the date of the Underwriting Agreement (the "***Lock-up Period***"), other than:

(i) ADSs or Ordinary Shares disposed of as *bona fide* gifts, transferred to a trust for the benefit of the undersigned or an immediate family member (as defined below), transferred by will or

intestate succession upon the death of the undersigned, or transferred pursuant to operation of law, including pursuant to a domestic order or negotiated divorce settlement, provided that in each case (x) the transferee agree in writing prior to such disposition or transfer to be bound by the terms of this Agreement as if he, she or it were a party hereto and (y) no public disclosure or filing, including under the Exchange Act or other applicable rules and regulations, shall be required or voluntarily made during the Lock-up Period;

(ii) the exercise of options to purchase Ordinary Shares or the receipt of Ordinary Shares upon the vesting of restricted stock awards disclosed in the Prospectus or any related transfer of ADSs or Ordinary Shares to the Company (x) deemed to occur upon the cashless exercise of such options or (y) for the purpose of paying the exercise price of such options or for paying taxes due as a result of the exercise of such options or as a result of the vesting of such Ordinary Shares, it being understood that all Ordinary Shares received upon such exercise or transfer will remain subject to the restrictions of this Agreement during the Lock-up Period;

(iii) transfers of ADSs or Ordinary Shares to any affiliate (as such term is defined in Rule 405 of the Securities Act of 1933, as amended), limited partners, general partners, limited liability company members of stockholders of the undersigned, or if the undersigned is a corporation to any wholly-owned subsidiary of such corporation, provided that in each case (x) the recipient agrees to be bound in writing by the same restrictions set forth herein, (y) no such transfer shall involve a disposition of value and (z) no public disclosure or filing, including under the Exchange Act or other applicable rules and regulations, reporting a reduction in beneficial ownership of ADSs or Ordinary Shares shall be required or voluntarily made during the Lock-up Period;

(iv) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of ADSs or Ordinary Shares, provided that such plan does not provide for the sale of ADSs or Ordinary Shares during the Lock-up Period and to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on behalf of the undersigned or the Company regarding the establishment of such plan, such announcement or filing shall include a statement to the effect that no transfer of ADSs or Ordinary Shares may be made under such plan during the Lock-up Period; and

(v) pursuant to a *bona fide* third-party tender offer, merger, consolidation or other similar transaction made to all holders of the Company's capital stock involving a change of control (as defined below) of the Company (provided that (x) such transaction is approved by the Board of Directors of the Company and (y) in the event that the tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's ADSs or Ordinary Shares shall remain subject to the restrictions contained in this Agreement for the duration of the Lock-up Period).

The foregoing restrictions shall not apply to transactions relating to ADSs or Ordinary Shares acquired by the undersigned in the Offering or in open market transactions subsequent to the closing of the Offering.

In addition, the undersigned agrees that, during the period commencing on the date hereof and ending 180 days after the date of the Underwriting Agreement, without the prior written consent of the Representatives (which consent may be withheld in their sole discretion): (a) the undersigned will not request, make any demand for or exercise any right with respect to, the registration of any ADSs or Ordinary Shares or any security convertible into or exercisable or exchangeable for ADSs or Ordinary Shares and (b) the undersigned waives any and all notice requirements and rights with respect to the registration of any such security pursuant to any agreement, understanding or otherwise to which the undersigned is a party.

For purposes of this Agreement, (i) "change of control" shall mean the consummation of any bona fide third party tender offer, merger, amalgamation, consolidation or other similar transaction the result of which is that any "person" (as defined in Section 13(d)(3) of the Exchange Act), or group of persons, other than the Company, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of 80% of the total voting power of the voting shares of the Company and (ii) "immediate family member" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing restrictions shall be equally applicable to any issuer-directed ADSs or Ordinary Shares the undersigned may purchase in the Offering.

If the undersigned is an officer or director of the Company, (i) the Representatives agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of any ADSs or Ordinary Shares, the Representatives will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

[In the event that the Representatives release, in full or in part, any holder of the Company holding five percent (5%) or more of the outstanding Ordinary Shares (including in the form of ADSs) of the Company (a "***Major Stockholder***") or any executive officer or director of the Company (collectively with the Major Stockholders, the "***Triggering Parties***") from the restrictions of any lock-up letter signed by such Triggering Party with the Underwriters (a "***Triggering Release***"), then the undersigned shall be concurrently released in the same manner and on the same terms (including with respect to any conditions or provisos that apply to such release) from the restrictions of this Agreement with respect to that percentage of the total number of Ordinary Shares (including in the form of ADSs) held by the undersigned equal to the same percentage of such Triggering Party's Ordinary Shares (including in the form of ADSs) released in the Triggering Release (the "***Release Percentage***"); provided that (i) the Representatives shall provide notice to the Company of any Triggering Release setting forth the number of Ordinary Shares or ADSs proposed to be released, provided that the failure to provide such notice shall not give rise to any claim or liability against the Underwriters; (ii) upon receipt of such notice from the Representatives, the Company will notify the undersigned of the requested Triggering Release within five business days following such receipt; (iii) any Triggering Release shall be effective as of, and not prior to, receipt of such notice of the Triggering Release by the other Triggering Parties (other than the directors who are not affiliates of a Major Stockholder and other than executive officers, to whom no such notice is required); and (iv) the undersigned may then require the release by the Representatives from the terms of this Agreement of a number of shares equal to the Release Percentage multiplied by the number of Ordinary Shares (including in the form of ADSs) held by the undersigned by (x) providing notice in writing to the Representatives of such requirement and (y) certifying in writing to the Representatives and the Company the total number of Ordinary Shares (including in the form of ADSs) held by the undersigned as of the time of the request of the Triggering Release. Notwithstanding the foregoing, no release by the Representatives of any Ordinary Shares or ADSs will constitute a Triggering

Release if the aggregate of any release granted during the Lock-Up Period to any individual Triggering Party requesting a release does not exceed 5% of the then outstanding Ordinary Shares (including in the form of ADSs) determined as of the date of any such release (as adjusted for any stock splits, reverse stock splits and the like after the date hereof). For the avoidance of doubt, each individual affiliate of the undersigned that is a party to a separate lock-up letter with the Underwriters shall be treated as a separate Triggering Party. Furthermore, notwithstanding the foregoing, no release by the Representatives of any Ordinary Shares (including in the form of ADSs) from the restrictions of a lock-up agreement will constitute a Triggering Release if such release, in full or in part, is in connection with an underwritten public offering of Ordinary Shares or ADSs (a "***Follow-On Offering***") in which all such released shares are offered in the Follow-On Offering.

This Agreement shall not become effective unless and until all executive officers and directors of the Company and holders of at least 5% of the Ordinary Shares (determined as of the date hereof and assuming the conversion into Ordinary Shares of all shares of the Company's equity securities that are convertible into Ordinary Shares) enter into substantially similar agreements with the Representatives.][1]

This Agreement and the obligations of the undersigned pursuant hereto shall automatically terminate upon the earliest to occur, if any, of (i) the date that the Company advises the Representatives, in writing, prior to the execution of the Underwriting Agreement, that it has determined not to proceed with the Offering, (ii) the date of termination of the Underwriting Agreement if prior to the closing of the Offering, (iii) the registration statement with respect to the Offering is withdrawn by the Company or (iv) December 31, 2017 if the Offering has not been completed by such date.

[Signature Page Follows]

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1 Bracketed language included in lock-up agreements for Sofinnova Capital VI FCPR, Sofinnova Venture Partners VIII, L.P., Morningside Venture Investments Limited, Scottish Enterprises, Rafaèle Tordjman, James Healy and Isaac Cheng.

Yours very truly,

If an individual, please sign here:

Signature: _____

Print Name: _____

Print Address: _____

_____

If a corporation, a limited partnership or other legal entity, please sign here:

Name: _____

By: _____

Its: _____

By: _____

Name: _____

Title: _____

EXHIBIT B

Form of Press Release

NuCana plc
[Date]

NuCana plc (the "Company") announced today that Citigroup Global Markets Inc., Jefferies LLC and Cowen and Company, LLC, the joint book-running managers in the Company's recent public sale of American Depositary Shares ("ADSs") representing ordinary shares of the Company, are [waiving] [releasing] a lock-up restriction with respect to [ordinary shares][ADSs] of the Company held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 20 , and the [ordinary shares][ADSs] may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Significant Subsidiaries

None

Form of Waiver of Lock-up

NuCana plc
Public Offering of Ordinary Shares and ADSs

, 20

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by NuCana plc (the "Company") of ordinary shares, nominal value £0.01 per share (the "Ordinary Shares"), of the Company, represented by American Depositary Shares ("ADSs") and the lock-up letter dated , 20 (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated , 20 , with respect to [Ordinary Shares][ADSs] (the "Shares").

Citigroup Global Markets Inc., Jefferies LLC and Cowen and Company, LLC hereby agree to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective , 20 . This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

Citigroup Global Markets Inc.

By: _____
Name:
Title:

Jefferies LLC

By: _____
Name:
Title:

Cowen and Company, LLC

By: _____
Name:
Title:

cc: NuCana plc

Company No. 03308778

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

NUCANA PLC

(adopted by special resolution

passed on 14 September 2017 and effective as of [•])

CONTENTS

PUBLIC COMPANY LIMITED BY SHARES INCORPORATED
UNDER THE COMPANIES ACT 2006

NEW

ARTICLES OF ASSOCIATION

OF

NUCANA PLC

(Company No 03308778)

(Adopted by special resolution passed on [•]
and effective as of [•])

1. EXCLUSION OF OTHER REGULATIONS

This document comprises the Articles of Association of the Company and no regulations concerning companies set out in any statute or other instrument having statutory force shall apply as Articles of Association of the Company.

2. DEFINITIONS AND INTERPRETATION

2.1 Definitions

In these Articles:

"**address**" in relation to a communication made by electronic means includes any number or address used for the purposes of that communication (including, without limitation, in the case of an Uncertificated Proxy Instruction (as defined in Article 22.11 (*Meaning of Uncertificated Proxy Instruction*)) an identification number of a participant in the Relevant System concerned);

"**Articles**" means these Articles of Association as altered from time to time ;

"**Board**" means the board of Directors or the Directors present or deemed present at a duly convened meeting of the Directors at which a quorum is present;

"**CA06**" means the Companies Act 2006;

"**certificated**" means, in relation to any share or other security of the Company, that it is not held or to be held in uncertificated form;

"**class meeting**" has the meaning given in Article 5.1;

"**clear days**" means, in relation to a period of notice, the period excluding the day on which the notice is given or deemed to have been given and the day for which it is given or on which it is to take effect;

"**Company**" means NuCana plc;

"**corporate member**" means a member that is a corporation;

"**distribution recipient**" means, in respect of a registered share in respect of which any dividend, interest or other moneys are payable:

(a) the holder of that share; or

(b) if the share has two or more joint holders, the joint holder who is named first in the Register;

"Director" means a director of the Company;

"electronic form" has the meaning given in the CA06;

"electronic means" has the meaning given in the CA06;

"executed" means any mode of execution;

"financial institution" means any financial institution as that expression is defined in s778 CA06;

"hard copy" has the meaning given in the CA06;

"holder" means in relation to shares the person entered in the Register, and **"shareholder**" and "**member**" shall be construed accordingly;

"month" means calendar month;

"NASDAQ" means the NASDAQ Stock Market;

"NASDAQ Rules" means the rules of NASDAQ;

"Office" means the registered office of the Company for the time being;

"Ordinary Shares" means ordinary shares in the Company of £0.01 each or of such other nominal value as the Directors may have determined in advance of the date of adoption of these Articles pursuant to the authority granted to the Company by ordinary resolution of the shareholders passed on 14 September 2017 (or such other nominal value as may, from time to time, result from a consolidation or subdivision of the ordinary share capital);

"paid up" means paid-up or credited as paid-up;

"**record date**" has the meaning given in Article 36.14 (Record dates);

"Register" means, in relation to a certificated share or the holder of it, the register of members maintained by the Company and, in relation to an uncertificated share or the holder of it, the register of members of the Company maintained by the operator of the Relevant System through which title to that share is evidenced and transferred and "registered" shall be construed accordingly;

“Regulations” means the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended or replaced from time to time, and any subordinate legislation or rules made under them for the time being in force;

“Relevant System” means any computer-based system, and procedures, permitted by the Regulations, which enable title to units of a security to be evidenced and transferred without a written instrument and which facilitate supplementary and incidental matters;

“Secretary” means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company including (subject to the provisions of the Statutes) a joint, deputy or assistant secretary;

“Statutes” means the CA06 and every other statute (and any subordinate legislation, order or regulations made under any of them) concerning companies and affecting the Company (including, without limitation, the Regulations and the Electronic Communications Act 2000), in each case, as they are for the time being in force;

“Subsidiary” means a subsidiary and/or subsidiary undertaking of the Company as each of the terms are defined in the CAO6;

“uncertificated” means, in relation to any share or other security of the Company, that title to it is evidenced and transferred or to be evidenced and transferred by means of a Relevant System;

“United Kingdom” means Great Britain and Northern Ireland; and

“year” means calendar year.

2.2 **Meaning of references**

In these Articles, unless the context otherwise requires, any reference to:

(a) “writing” includes handwriting, typewriting, printing, lithography, photocopying and other modes of representing or reproducing words in legible and non-transient form including, unless provided otherwise, by electronic means or in electronic form;

(b) the masculine, feminine or neuter gender respectively includes the other genders and any reference to the singular includes the plural (and vice versa);

(c) a person includes any individual, firm, company, corporation, government state or agency of state or any association, trust or partnership (whether or not having a separately legal personality);

(d) a statute or statutory provision includes any consolidation or re-enactment, modification or replacement of the same, any statute or statutory provision of which it is a consolidation, re-enactment, modification or replacement and any subordinate legislation in force under any of the same from time to time;

(e) an Article by number is to a particular Article of these Articles

2.3 **Headings and table of contents**

In these Articles, the table of contents and headings are included for convenience only and shall not affect the interpretation or construction of these Articles.

2.4 **Definitions from the Statutes**

Unless the context otherwise requires, any words and expressions defined in the Statutes and not defined in these Articles shall have the meanings given to them in the Statutes save that the word "company" shall include any body corporate.

2.5 **Electronic signature**

Where pursuant to any provision of these Articles any notice, appointment of proxy or other document which is in electronic form is required to be signed or executed by or on behalf of any person, that signature or execution includes the affixation by or on behalf of that person of an electronic signature (as defined in s7(2) Electronic Communications Act 2000) in such form as the Directors may approve.

2.6 **Form of resolution**

A special resolution shall be effective for any purpose for which an ordinary resolution is expressed to be required under any provision of these Articles.

3. LIABILITY OF MEMBERS

The liability of the members is limited to the amount if any, unpaid on the shares held by them.

4. SHARE CAPITAL

4.1 **Rights attached to shares**

Subject to the provisions of the Statutes and without prejudice to any rights for the time being conferred on the holders of any class of shares (which rights shall not be varied or abrogated except with any consent or sanction as is required by Article 5 (*Variation of rights*)), any share in the Company may be issued with such preferred, deferred or other rights, or such restrictions, whether in regard to dividend, return of capital, voting or otherwise, as the Company may from time to time by ordinary resolution determine (or, if the Company has not so determined, as the Directors may determine).

4.2 **Redeemable shares**

The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder. The Directors may decide the terms, conditions and manner of redemption of any of those shares and must do so before the shares are allotted.

4.3 **Shares**

Subject to the provisions of those Articles and to the Statutes, and to any direction given by the Company in general meeting, any shares in the capital of the Company (whether forming part of the original or any increased capital) and all (if any) shares in the Company lawfully held by or on behalf of it shall be at the disposal of the Directors which may offer, allot (with or without a right of renunciation), issue or grant options over such shares to such persons, at such time and for such consideration and upon such terms and conditions as the Directors may determine. No share shall be issued at a discount.

4.4 **Payment of commission**

The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent permitted by the Statutes. Subject to the provisions of the Statutes, any such commission 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. The Company may also on any issue of shares pay such brokerage as may be lawful.

4.5 **Trusts not recognised**

Except as required by law, no person may be recognised by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognise, even when having express notice of it, any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as otherwise provided by these Articles or by law) any other right in respect of any share, except an absolute right to the entirety in the holder.

4.6 **Renunciation**

The Directors may at any time after the allotment of any share but before any person has been entered in the Register as the holder recognise a renunciation of such allotment by the allottee in favour of some other person and may accord to any allottee of a share a right to effect such renunciation upon and subject to such terms and conditions as the Directors may think fit to impose.

4.7 **Financial Assistance**

The Company may give financial assistance for the acquisition of shares in the Company to the extent that it is not restricted by the Statutes.

5. VARIATION OF RIGHTS

5.1 **Variation of class rights**

Subject to the provisions of the Statutes, whenever the capital of the Company is divided into different classes of shares, the rights or privileges attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding-up, either with the consent in writing of the holders of three-fourths in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of such holders, known as a "**class meeting**" (but not otherwise). All the provisions of these Articles relating to general meetings shall, mutatis mutandis, apply to every such separate class meeting, except that:

(a) the necessary quorum shall be one or more persons present holding at least one-third in number of the issued shares of the class in question excluding any shares of that class held as treasury shares provided that where a person is present by proxy or proxies, he is treated as holding only the shares in respect of those proxies which are authorised to exercise voting rights;

(b) any holder of shares of the class present in person or by proxy may demand a poll; and

(c) every such holder shall, on a poll, have one vote for every share of the class held by him.

5.2 ***Pari passu* issues and purchase of own shares**

Subject to the terms on which any shares may be issued, the rights or privileges attached to any class of shares shall be deemed not to be varied or abrogated by:

(a) the creation or issue of any new shares ranking pari passu in substantially all respects (save as to the date from which such new shares shall rank for dividend)with the first-mentioned shares but in no respect in priority; or

(b) the purchase by the Company of any of its own shares.

6. ALTERATION OF CAPITAL

6.1 **Sub-division**

Any resolution authorising the Company to sub-divide its shares or any of them may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

6.2 **Fractions arising upon consolidation or sub-division**

Subject to any direction by the Company in general meeting, whenever as the result of any consolidation or sub-division of shares any members of the Company are entitled to fractions of a share, the Directors may:

(a) deal with such fractions as they think fit and in particular (but without prejudice to the foregoing) may sell the shares representing the fractions to any person (including subject to the Statutes, the Company) for the best price reasonably obtainable and distribute the net proceeds of sale to and among the members entitled to such shares in due proportions. For the purpose of giving effect to any such sale, the Directors may nominate some person to execute a transfer or deliver the shares sold to or in accordance with the directions of the purchaser and may cause the name of the purchaser or such person as he may direct to be entered in the Register as the holder of the shares comprised in any such transfer and he 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 or invalidity in the proceedings in reference to the sale; or

(b) subject to the provisions of the Statutes, issue to each such holder, credited as fully paid up by way of capitalisation, the minimum number of shares required to round up his holding to a whole number (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of the profit and loss account (or income statement) and capitalised by applying the same in paying up such shares.

7. SHARE CERTIFICATES

7.1 Rights to a share certificate

(a) Every person whose name is entered as a member in the Register (other than a financial institution or other person in respect of whom the Company is not required by law to complete and have ready for delivery a certificate) is (except where the Directors have passed a resolution pursuant to Article 7.5) entitled, except as provided by the Statutes, without payment to receive one certificate for all the shares of each class held by him or, upon payment of such reasonable out-of-pocket expenses for every certificate after the first as the Directors shall from time to time determine, to several certificates each for one or more of his shares. Shares of different classes may not be included in the same certificate.

(b) Every certificate must be issued within two months (or such longer period as the terms of issue shall provide) after allotment or within fourteen days after lodgement with the Company of the transfer of the shares provided that this is not a transfer which the Company is for any reason entitled to refuse to register and does not register.

(c) Where some only of the shares comprised in a share certificate are transferred, the old certificate must be cancelled and a new certificate for the balance of such shares issued in lieu without charge.

(d) Any two or more certificates representing shares of any one class held by any member may at his request be cancelled and a single new certificate for such shares issued in lieu without charge.

(e) If any member surrenders for cancellation a share certificate representing shares held by him and requests the Company to issue in lieu two or more share certificates representing such shares in such proportions as he may specify, the Directors may, if they think fit, comply with such request.

7.2 **Execution and signing of certificates**

Every certificate must be issued, subject to the provisions of the Statutes, in such manner as the Directors may resolve. Each share certificate must specify the number and class of the shares to which it relates and the nominal value of and amount paid up on them. The Directors may by resolution decide, either generally or in any particular case or cases, that any signatures on any certificates need not be autographic but may be affixed by some method or system of mechanic or electronic signature or that certificates need not be signed by any person

7.3 **Joint holders**

(a) Neither the Company nor the operator of any Relevant System shall be bound to register more than four persons as the joint holders of any share or shares (except in the case of executors or trustees of a deceased member).

(b) 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 any one of the joint holders shall be sufficient delivery to all of them.

(c) In the case of shares held jointly by several persons any request for a replacement certificate may be made by any one of the joint holders.

7.4 **Replacement share certificates**

If a share certificate or any other document of title is worn out, defaced, lost, stolen or destroyed, it must be renewed free of charge on such terms (if any) as to evidence and indemnity with or without security as the Directors require. In the case of loss, theft or destruction, the person to whom the new certificate is issued must pay to the Company any exceptional out-of-pocket expenses incidental to the investigation of evidence of loss or destruction and the preparation of the requisite form of indemnity and in the case of defacement or wearing out he must deliver up the old certificate to the Office.

7.5 **Uncertificated securities**

(a) Nothing in these Articles requires title to any shares or other securities of the Company to be evidenced by a certificate if the Statutes permit otherwise.

(b) Subject to the Statutes and the facilities and requirements of any Relevant System, the Directors without further consultation with the holders of any shares or securities of the Company may resolve that any class or classes of shares or other securities of the Company from time to time in issue or to be issued may be in uncertificated form, and no provision of these Articles will apply to any uncertificated shares or other securities of the Company to the extent they are inconsistent with the holding of such shares or other securities in uncertificated form or the transfer of title to any such shares or other securities by means of that Relevant System.

To the extent that any provision of these Articles is inconsistent in any respect with the terms of the Regulations in relation to any uncertificated shares or other uncertificated securities of the Company, that provision shall not apply to those shares or securities and instead the Regulations shall apply.

8. CALLS ON SHARES

8.1 **Calls**

Subject to the terms of issue of the shares and to the provisions of these Articles, the Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium).

8.2 **Timing of call**

A call shall be deemed to have been made when the resolution of the Directors authorising the call was passed, and may be required to be made payable by instalments.

8.3 **Payment upon calls**

Each member shall (subject to receiving at least 14 clear days' notice specifying the time and place of payment) pay to the Company, at the time or times and place of payment so specified, the amount called on his shares. A call may be revoked or postponed in whole or in part or the time fixed for its payment postponed in whole or in part as the Directors may determine at any time before receipt by the Company of the sum due thereunder. A person on whom a call is made will remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect of which the call was made.

8.4 **Liability of joint holders**

The joint holders of a share shall be jointly and severally liable to pay all calls in respect of such share.

8.5 **Interest due on non-payment**

If a sum called in respect of a share is not paid before or on the day appointed for payment, the person from whom the sum is due shall pay interest on such sum from the day fixed for payment of such sum to the time of actual payment at the rate specified by the terms of issue of the share or, if no rate is specified, at an appropriate rate or at such rate as the Directors may determine (not exceeding 15 per cent per annum) together with all expenses that may have been incurred by the Company by reason of such non-payment, but the Directors shall be at liberty in any case or cases to waive payment of such interest and expenses wholly or in part.

8.6 **Sums due on allotment treated as calls**

Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable on allotment or on any other fixed date shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which, by the terms of issue or in the notice of the call, the same becomes payable. In case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise and all other relevant provisions of these Articles shall apply as if such sum had become payable by virtue of a call duly made and notified.

8.7 **Payment of calls in advance**

The Directors may, if they think fit, receive from any member willing to advance the same, all or any part of the moneys uncalled and unpaid on any shares held by him. The Company may pay interest upon all or part of the money so received (until it would but for the advance become presently payable), at such rates (if any) as the member paying such sum and the Directors agree not exceeding 15 per cent per annum in addition to the dividend payable on such part of the share in respect of which such advance has been made as is actually called up. No dividend shall be payable on so much of the moneys paid up on a share as exceeds the amount for the time being called up on a share. The Directors may at any time repay the amount so advanced on giving to such member not less than three months' notice in writing of their intention to do so, unless before the expiration of such notice the amount so advanced shall have been called up on the share in respect of which it was advanced.

8.8 **Power to differentiate on calls**

The Directors may on the allotment of shares differentiate between the holders as to the amount of calls to be paid and the time of payment of such calls.

9. LIEN ON SHARES

9.1 **Company's lien on shares not fully paid**

The Company shall have a first and paramount lien on any of its shares which are not fully paid in the circumstances and to the extent permitted by the Statutes for all amounts (whether presently payable or not) called or payable in respect of that share, but the Directors may waive any lien which has arisen and may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien (if any) on a share shall further extend to all dividends and interest payable on such share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.

9.2 **Enforcing lien by sale**

The Company may sell, in such manner as the Directors think fit, any shares on which the Company has a lien, but no sale shall be made unless some sum in respect of which the lien exists is due and presently payable, nor until a notice in writing, stating and demanding payment of the sum presently payable, and giving notice of the intention to sell in default, shall have been given to the holder for the time being of the share, or to the person entitled to the share by reason of his death or bankruptcy, and default in payment shall have been made by him or them for 7 clear days after the notice is given.

9.3 **Giving effect to a sale**

To give effect to any permitted sale of any shares on which the Company has a lien, the Directors may authorise such person as they direct to execute a transfer of the shares sold to, or in accordance with the directions of, the purchaser. Subject to payment of any stamp or other duty due, the purchaser shall be entered in the Register as the holder of the shares comprised in any such transfer, and he 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 or invalidity in the proceedings in reference to the sale.

9.4 **Application of proceeds of sale**

The net proceeds of a permitted sale of shares in which the Company has a lien shall be received by the Company and, after payment of the costs of such sale, be applied in or towards satisfaction of the amount due to the Company in respect of which the lien exists, so far as the same is presently payable, and the balance (if any) shall (upon surrender to the Company for cancellation of the certificate for the shares sold (where applicable) and subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the holder of (or the person entitled by transmission to) the shares immediately before the sale.

10. FORFEITURE AND SURRENDER OF SHARES

10.1 **Notice if call or instalment not paid**

If a member fails to pay the whole or any part of any call or instalment of a call on the day fixed for payment, the Directors may, at any time after such date, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any accrued interest and any costs, charges and expenses incurred by the Company by reason of such non-payment.

10.2 **Form of notice**

The notice shall fix a further day (not being less than 14 clear days from the date of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that, in the event of non-payment in accordance with such notice, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

10.3 **Forfeiture if non-compliance with notice**

If the notice is not complied with, any share in respect of which such notice was given may at any time after that, before payment of all calls or instalments and interest and expenses due in respect of it has been made, be forfeited by a resolution of the Directors to that effect. Every forfeiture shall include all dividends declared or other amounts payable in respect of the forfeited share and not actually paid before the forfeiture. Forfeiture shall be deemed to occur at the time of passing of the said resolution of the Directors. The Directors may accept the surrender of any share which they are in a position to forfeit upon such terms and conditions as may be agreed and, subject to any such terms and conditions, a surrendered share shall be treated as if it had been forfeited.

10.4 **Forfeited or surrendered shares become the property of the Company**

Subject to the provisions of the Statutes, a forfeited or surrendered share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the person who before such forfeiture was the holder of such share and/or to any other person upon such terms and such conditions as the Directors shall think fit, and the Company may receive the consideration, if any, for such sale, re-allotment or

disposal. The Directors may, if they reasonably consider it necessary, authorise some person to execute the transfer of a forfeited or surrendered share. At any time before sale, re-allotment or disposal, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. The Company shall not exercise any voting rights in respect of such a share. Any share not disposed of in accordance with this Article within a period of three years from the date of its forfeiture or surrender shall, at the expiry of that period, be cancelled in accordance with the provisions of the Statutes.

10.5 **Sale of Forfeited Shares**

If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which was, or would have become, payable and had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such person in respect of such proceeds and the Company is not required to account for any money earned on them.

10.6 **Notice after forfeiture**

When any share has been forfeited, notice of the forfeiture shall be served upon the person who was before the forfeiture the holder of the share or the person entitled to the share by transmission, and an entry of the forfeiture, with the date of the forfeiture, shall be entered in the Register, but no forfeiture shall be invalidated by any omission or neglect to give such notice or make such entry.

10.7 **Arrears to be paid despite forfeiture**

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares and shall surrender to the Company for cancellation the certificate in relation to such shares, but shall, despite the forfeiture or surrender, remain liable to pay to the Company all moneys which at the date of forfeiture or surrender were then payable by him to the Company in respect of those shares, with interest on those moneys at such rate (not exceeding 15 per cent per annum) as the Directors shall think fit from the date of forfeiture or surrender until payment. Subject to any such waiver, a person whose shares have been forfeited shall remain liable to satisfy all (if any) of the claims and demands which the Company might have enforced in respect of the shares at the time of forfeiture or surrender without any reduction or allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal, but his liability shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares. The Directors may, if they deem fit, waive the payment of all or part of such money and/or the interest payable thereon.

10.8 **Effects of forfeiture**

The forfeiture or surrender of a share shall automatically result in the extinction at the time of forfeiture or surrender of all interest in and all claims and demands against the Company in respect of the share and all other rights and liabilities incidental to the share as between the holder whose share is forfeited or surrendered and the Company, except only such of those rights and liabilities as are by these Articles expressly saved, or as are by the Statutes given or imposed in the case of past members.

10.9 **Evidence of forfeiture or sale**

A statutory declaration in writing by a Director or the Secretary that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share. Such declaration shall (subject to the execution of any necessary instrument of transfer) constitute a good title to the share. The person to whom the share is sold or disposed shall be registered as the holder of the share and shall be discharged from all calls made prior to such sale or disposition and shall not be bound to see to the application of the purchase money or other consideration (if any), nor shall his title to the share be affected by any act, omission or irregularity in, or invalidity of, the proceedings with reference to the forfeiture or surrender, sale, re-allotment or disposal of the share.

11. SHARE WARRANTS

11.1 **Power to issue share warrants**

The Company with respect to fully paid shares may in its discretion issue share warrants in accordance with Article 7.2 (*Execution and signing of certificates*) stating that the bearer of the share warrant is entitled to the shares specified in that share warrant and may provide by coupons or otherwise for the payment of future dividends and any other sum becoming payable on the shares comprised in such share warrant and for the purpose of obtaining in respect of such shares an allotment or offer of shares or debentures or the exercise of any other rights of any description to which members may be or become entitled.

11.2 **Conditions governing share warrants**

The Directors may determine, and may from time to time vary, the conditions upon which share warrants shall be issued. In particular, the Directors may determine (a) the conditions upon which a new share warrant may be issued in place of one worn out, defaced, stolen, lost or destroyed (where, in the case of a share warrant stolen, lost or destroyed, the Directors are satisfied beyond reasonable doubt that the original has been destroyed); (b) the conditions upon which the bearer of a share warrant shall be entitled, if at all, to attend and vote at general meetings; and (c) the conditions subject to which a share warrant may be surrendered and the name of the bearer entered in the Register in respect of the shares comprised in such share warrant. Subject to such conditions and to these Articles, the bearer of a share warrant shall be deemed to be a member and shall have the same rights and privileges as if his name were entered in the Register in respect of the shares comprised in such share warrant. The bearer of a share warrant shall be subject to the conditions governing share warrants for the time being in force whether or not they were determined or specified before the share warrant was issued.

12. TRANSFER OF SHARES

12.1 **Form of transfer**

Subject to such of the restrictions contained in these Articles as may be applicable, any member may transfer all or any of his shares by transfer in writing in any usual or common form or in any other form approved by the Directors.

12.2 **Execution of transfer**

Every written instrument of transfer of a share shall be executed by or on behalf of the transferor and (in the case of a partly paid share) by or on behalf of the transferee. The transferor of any share shall remain the holder of the share concerned until the name of the transferee is entered in the Register in respect of that share.

12.3 **Right to decline registration of partly paid shares**

The Directors may, in their absolute discretion, refuse to register the transfer of a share which is not fully paid or on which the Company has a lien provided that such discretion may not be exercised in such a way as to prevent dealings in the shares of that class from taking place on an open and proper basis.

12.4 **Other rights to decline registration**

The Directors may also refuse to register a transfer of a share unless:

(a) the transfer is lodged, duly stamped (if it is required to be stamped), at the Office or at such other place as the Directors may appoint and (except in the case of a transfer by a financial institution or in any other circumstance where a certificate has not been issued in respect of the share) is accompanied by the certificate for the share 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 and, if the transfer is executed by some other person on his behalf, the authority of that person to do so;

(b) the transfer is in respect of only one class of share; and

(c) in the case of a transfer to joint holders of a share, the number of joint holders to whom the share is to be transferred does not exceed four.

12.5 **Notice of refusal to register a transfer**

If the Directors refuse to register a transfer of a share, they shall, within two months after the date on which the transfer was lodged with the Company (or in the case of uncertificated shares the date on which the instructions to the Relevant System were received), send to the transferee notice of the refusal together with reasons for the refusal.

12.6 **Recognition of renunciation**

Nothing in these Articles shall preclude the Directors from recognising a renunciation of the allotment of any share by the allottee in favour of some other person.

12.7 **Retention and return of instruments of transfer**

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the Directors refuse to register shall (except in case of fraud) be returned to the person lodging it when notice of the refusal is given.

12.8 **No fees for registration**

No fee shall be charged by the Company for the registration of any instrument of transfer or other document or instruction relating to or affecting the title to any share.

12.9 **Requirement for written transfer to evidence title**

For the avoidance of doubt, nothing in these Articles shall require shares to be transferred by a written instrument if the Statutes provide otherwise and the Directors shall be empowered to implement such arrangements as they consider fit in accordance with and subject to the Statutes and the NASDAQ Rules and to evidence and regulate the transfer of title to shares in the Company and for the approval or disapproval as the case may be by the Directors or the operator of any Relevant System of the registration of those transfers.

13. DESTRUCTION OF DOCUMENTS

13.1 **Documents Company entitled to destroy**

The Company shall be entitled to destroy:

(a) all share certificates and dividend mandates and other written directions as to payment of dividends which have been cancelled or have ceased to have effect at any time after the expiry of two years from the date of such cancellation or cessation;

(b) any instrument of transfer of shares which has been registered at any time after the expiry of six years from the date of registration;

(c) any instrument of proxy which has been used for the purpose of a poll at any time after one year has elapsed from the date of use;

(d) any instrument of proxy which has not been used for the purpose of a poll at any time after a period of one month has elapsed from the end of the meeting to which the instrument of proxy relates;

(e) any other document on the basis of which any entry in the Register is made, at any time after the expiry of six years from the date of its registration; and

(f) all notifications of change of name or address after the expiry of one year from the date on which they are recorded.

13.2 **Presumptions where documents destroyed**

It shall conclusively be presumed in favour of the Company that every share certificate destroyed as permitted by Article 13.1 was a valid certificate duly and properly cancelled, that every entry on the Register purporting to have been made on the basis of a document so destroyed was duly and properly made and that every instrument of transfer so destroyed was a valid and effective instrument duly and properly registered and that every other document destroyed was a valid and effective document in accordance with the particulars of it recorded in the books or records of the Company, provided always that:

(a) this Article shall apply only to the destruction of a document in good faith and without express notice to the Company that the preservation of the document might be relevant to a claim;

(b) nothing in this Article shall be construed as imposing upon the Company any liability in respect of the destruction of any such document earlier than as provided for in this Article or in any other circumstances which would not attach to the Company in the absence of this Article;

(c) reference in this Article to the destruction of any document includes references to its disposal in any manner; and

(d) any document referred to in Article 13.1 may be destroyed at a date earlier than that authorised by that Article provided that a permanent copy of such document shall have been made which shall not be destroyed before the expiration of the period applicable to the destruction of the original of such document and in respect of which the Directors shall take adequate precautions for guarding against falsification and for facilitating its production.

14. UNTRACED SHAREHOLDERS

14.1 **Power to sell shares of untraced shareholders**

The Company shall be entitled to sell at the best price reasonably obtainable any share of a member or any share to which a person is entitled by transmission if and provided that:

(a) during a period of 12 years prior to the date of the publication of the advertisement referred to in Article 14.1(b) (or if published on different dates, the earlier or earliest thereof) at least three dividends, whether interim or final, in respect of the shares shall have become payable and no dividend has been claimed during that period in respect of such shares and no communication has been received by the Company from such member or person entitled by transmission;

(b) the Company shall, on or after the expiration of the said 12 years, have inserted advertisements in both a national newspaper and a newspaper circulating in the area of the last-known postal address of such member or other person, (or the postal address at which service of notices may be effected in the manner authorised by these Articles), giving notice of its intention to sell such share; and

(c) the Company has not during the further period of three (3) months after the date of the advertisement (or, if published on different dates, the later of the two advertisements) and prior to the date of sale received any communication from the member or person entitled by transmission.

If, during the period referred to in Article (a) any additional shares have been issued by way of rights in respect of shares held at the commencement of such period or in respect of shares so issued previously during such period, the Company may, if the requirements of Article 14.1 have been satisfied, also sell such additional shares.

14.2 **Sale of shares of untraced shareholders**

To give effect to the sale of any share pursuant to Article 14, the Company may:

(a) if the shares to be sold pursuant to this Article 14 are in uncertificated form, in accordance with the Regulations, the Company may issue a written notification to the operator requiring the conversion of the shares into certificated form; or

(b) appoint any person to execute as transferor any necessary instrument of transfer of such share and such instrument of transfer shall be as effective as if it had been executed by the holder or person entitled by transmission to the share.

The transferee shall not be bound to see to the application of the purchase moneys nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale. The net proceeds of sale shall belong to the Company, and, on receipt, the Company shall be indebted to the member or other person entitled to such share for an amount equal to the net proceeds of such sale, but no trust shall be created and no interest shall be payable in respect of the proceeds of sale, and the Company shall not be required to account for any money earned on the net proceeds which may either be employed in the business of the Company or invested in such investment (other than shares of the Company or its holding company, if any) as the Directors may from time to time think fit.

15. TRANSMISSION OF SHARES

15.1 **Transmission of shares on death**

If a member dies, the survivor or survivors where the deceased was a joint holder, or his personal representatives where he was a sole holder or the only survivor of joint holders shall be the only person(s) recognised by the Company as having any title to his share(s), but nothing in this Article shall release the estate of a deceased holder from any liability in respect of any share held by him whether solely or jointly with other persons.

15.2 **Election of person entitled by transmission**

Any person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law may, subject to the following and upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, elect either to be registered himself as holder of the share or to have a

person nominated by him registered as the holder. If the person elects to become the holder, he shall give the Company notice in writing to that effect. If the person elects to have another person registered, he shall execute an instrument of transfer of that share to that other person. All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of transfers of shares shall be applicable to any such notice or instrument of transfer as if the death or bankruptcy of the member or other event giving rise to the transmission had not occurred and the notice or instrument of transfer were an instrument of transfer executed by such member.

15.3 **Rights of person entitled by transmission**

Save as otherwise provided by or in accordance with these Articles, a person becoming entitled to a share in consequence of the death or bankruptcy of a member or by operation of law shall (upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share) be entitled to the same dividends and other advantages as those to which he would be entitled if he were the holder of the share except that he shall not (except with the authority of the Directors) be entitled in respect of such share to attend or vote at meetings of the Company or at any class meetings or to any of the rights or privileges of a member until he shall have been registered as a member in respect of the share. The Directors may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within 60 days after the date that is it given, the Directors may withhold payment of all dividends or other moneys payable in respect of the share until the requirements of the notice have been complied with.

16. SUSPENSION OF RIGHTS WHERE NON-DISCLOSURE OF INTERESTS

16.1 **Effect of service of disenfranchisement notice**

Where, in respect of any shares of the Company, any holder or any other person appearing to be interested in such shares held by a member has been issued with a notice pursuant to section 793 CA06 (a "**statutory notice**") and has failed in relation to any shares (the "**default shares**") to comply with the statutory notice and to give the Company the information required by such notice within the prescribed period as defined in Article 16.6(d) from the date of the statutory notice, then the Directors in their absolute discretion may serve on the holder of such default shares a notice (a "**disenfranchisement notice**") whereupon the following sanctions shall apply:

(a) such holder shall not, with effect from the service of the disenfranchisement notice, be entitled in respect of the default shares to be present or to vote (either in person or by representative or by proxy) either at any general meeting or at any class meeting or on any poll or to exercise any other right conferred by membership in relation to any such meeting or poll; and

(b) where such shares represent not less than 0.25 per cent in nominal value of the issued shares of their class:

(i) any dividend or other monies payable in respect of the default shares shall be withheld by the Company which shall not be under any obligation to pay interest on it and the holder shall not be entitled under Article 36.15 to elect to receive shares instead of that dividend; and

(ii) no transfer, other than an excepted transfer (as defined in Article 16.6(e)), of any shares in certificated form held by the holder shall be registered unless:

(A) the holder is not himself in default as regards supplying the information required;

(B) the holder proves to the satisfaction of the Directors that no person in default as regards supplying such information is interested in any of the shares which are the subject of the transfer; and

(C) any shares held by such member in uncertificated form shall forthwith be converted into certificated form (and the Directors shall be entitled to direct the operator of any Relevant System applicable to those shares to effect that conversion immediately) and that member shall not after that be entitled to convert all or any shares held by him into uncertificated form (except with the authority of the Directors),

(and, for the purpose of ensuring this Article 16(b)(ii) can apply to all shares held by the holder, the Company may, in accordance with the Regulations, issue a written notification to the operator requiring the conversion into certificated form of any shares held by the holder in uncertificated form).

16.2 **New shares issued in respect of default shares**

Any new shares in the Company issued in respect of default shares shall be subject to the same sanctions as apply to the default shares provided that any sanctions applying to, or to a right to, new shares by virtue of this Article shall cease to have effect when the sanctions applying to the related default shares cease to have effect (and shall be suspended or cancelled if and to the extent that the sanctions applying to the related default shares are suspended or cancelled) and provided further that Article 16.1 shall apply to the exclusion of this Article if the Company gives a separate notice under section 793 CA06 in relation to the new shares.

16.3 **Cancellation of disenfranchisement notice**

The Directors may at any time withdraw a disenfranchisement notice, in whole or in part, or suspend in whole or in part, the imposition of any restrictions contained in the disenfranchisement notice for a given period by serving on the holder of the default shares a notice in writing to that effect (a "**withdrawal notice**"), and a disenfranchisement notice shall be deemed to have been withdrawn, suspended or varied at the end of the period of seven days (or such shorter period as the Directors may determine) following receipt by the Company of the information required by the statutory notice in respect of all the shares to which the disenfranchisement notice related.

16.4 **Duration of disenfranchisement notice**

Unless and until a withdrawal notice is duly served in relation thereto or a disenfranchisement notice in relation thereto is deemed to have been withdrawn, suspended or varied or the shares to which a disenfranchisement notice relates are transferred by means of an excepted transfer, the sanctions referred to in Articles 16.1 and 16.2 shall continue to apply.

16.5 **Copies of disenfranchisement notice**

Where, on the basis of information obtained from a holder in respect of any share held by him, the Company issues a notice pursuant to section 793 CA06 to any other person and such person fails to give the Company the information thereby required within the prescribed period and the Directors serve a disenfranchisement notice upon such person, they shall at the same time send a copy of the disenfranchisement notice to the holder of such share, but the accidental omission to do so, or the non-receipt by the holder of that copy, shall not invalidate or otherwise affect the application of Articles 16.1 and 16.2.

16.6 **Interpretation for the purposes of Article 16**

(a) a person other than the holder of a share shall be treated as appearing to be interested in that share if the holder has informed the Company that the person is or may be so interested or if (after taking into account the said notification and any other relevant notification pursuant to section 793 CA06) the Company knows or has reasonable cause to believe that the person in question is or may be interested in the share;

(b) "**interested**" shall be construed as it is for the purpose of section 793 CA06;

(c) reference to a person having failed to give the Company the information required by a notice, or being in default as regards supplying such information, includes:

(i) reference to his having failed or refused to give all or any part of it; and

(ii) reference to his having given information which he knows to be false in a material particular or having recklessly given information which is false in a material particular;

(d) the "**prescribed period**" means

(i) in a case where the default shares represent at least 0.25 per cent of their class, 14 days; and

(ii) in any other case, 28 days; and

(e) an "**excepted transfer**" means, in relation to any share held by a holder:

(i) a transfer pursuant to acceptance of an offer made to all the holders (or all the holders other than the person making the offer and his nominees) of the shares in the Company to acquire those shares or a specified proportion of them, or to all the holders (or all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them;

(ii) a transfer in consequence of a sale made through NASDAQ or any other stock exchange outside the United Kingdom on which the Company's shares are normally traded; or

(iii) a transfer which is shown to the satisfaction of the Directors to be made in consequence of a bona fide sale of the whole of the beneficial interest in the share to a person who is unconnected with the holder and with any other person appearing to be interested in the share.

16.7 **Other powers of the Company unaffected**

Nothing contained in these Articles shall prejudice or affect the right of the Company to apply to the court for an order under section 794 CA06 and in connection with such an application or intended application or otherwise to require information on shorter notice than the proscribed period.

17. GENERAL MEETINGS

17.1 **Annual general meetings**

The Company shall in each year hold a general meeting as its annual general meeting in addition to any other meetings in that year. The annual general meeting shall be held at such time and place as the Directors may appoint.

17.2 **Calling of general meetings**

The Directors may call a general meeting whenever they deem fit. The Directors must call a general meeting on the requisition of members in accordance with the CA06.

17.3 **Written resolutions**

The Company, being a public limited company, is prohibited by the CA06 from passing resolutions of its shareholders in writing.

18. NOTICE OF GENERAL MEETINGS

18.1 **Length of notice**

(a) An annual general meeting must be called by at least 21 clear days' notice. All other general meetings must be called by at least 14 clear days' notice. In each case, this is subject to any longer notice period required by the Statutes.

(b) Notice of general meetings must be sent or supplied in accordance with Article 39 (*Documents, information and notices*).

18.2 **Contents of notice**

Every notice of meeting of the Company shall:

(a) specify the time, date and place of the meeting;

(b) state the general nature of the business to be dealt with at the meeting;

(c) with reasonable prominence state that a member who is entitled to attend and vote may appoint:

(i) a proxy to exercise all or any of the member's rights to attend, speak and vote at the meeting; and

(ii) more than one proxy in relation to the meeting if each proxy is appointed to exercise the rights attached to a different share or shares held by the member; and

that a proxy need not also be a member.

(d) in the case of an annual general meeting, specify the meeting as such; and

(e) if the meeting is called to consider a special resolution, include the text of the resolution and the intention to propose the resolution as a special resolution.

18.3 **Omission or non-receipt of notice of general meeting or resolution**

The accidental omission to send a notice of any general meeting or notice of a resolution intended to be moved at a general meeting is to be disregarded for the purpose of determining whether notice of the meeting or resolution is properly given but this is subject to the exceptions prescribed by the CA06. The non-receipt of a notice of a general meeting or a resolution intended to be moved at a general meeting is to be disregarded for the purpose of determining whether notice of the meeting or resolution is properly given.

18.4 **Postponement**

If the Directors consider that it is impracticable or unreasonable to hold a general meeting on the date or at the time or place stated in the notice calling the meeting, they may postpone or move the meeting (or do both). Notice of such postponement or such move, shall be given in accordance with these Articles to those entitled to attend the meeting. Notice of the business to be transacted at such rearranged meeting shall not be required. If a meeting is rearranged in this way, appointments of proxy are valid if they are received as required by these Articles not less than 48 hours before the time appointed for holding the rearranged meeting and for the purpose of calculating this period, the Directors can decide in their absolute discretion, not to take account of any part of a day that is not a working day. The Directors may also postpone or move the rearranged meeting (or do both) under this Article.

19. PROCEEDINGS AT GENERAL MEETINGS

19.1 **Quorum**

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment of a Chairman, which shall not be treated as part of the business of the meeting. One or more qualifying persons present at a meeting and between them holding (or being the proxy or corporate representative of the holders of) at least one third in number of the issued shares (excluding any shares held as treasury shares) entitled to vote on the business to be transacted are a quorum

For the purposes of this Article 19

(a) a **"qualifying person**" is an individual who is: a member, a person authorised to act as the representative of a member (being a corporation) in relation to the meeting or a person appointed as proxy of a member in relation to the meeting, and

(b) where a qualifying person is present as proxy of a member in relation to the meeting, he is treated as holding only the shares in respect of which he is authorised to exercise voting rights.

19.2 **Procedure if quorum is not present**

If within 15 minutes from the time appointed for the meeting (or such longer interval not exceeding one hour as the Chairman of the meeting may decide) a quorum is not present, or if during a meeting a quorum ceases to be present, the meeting shall be dissolved if the members or any of them required the meeting to be called or the members or any of them called the meeting. In any other case:

(a) the meeting shall stand adjourned to such time, date and place as may be fixed by the Chairman of the meeting, such date being not less than 14 nor more than 28 days after the date of the original meeting (excluding the day of the original meeting and the day of the adjourned meeting); and

(b) if at that adjourned meeting a quorum is not present within 30 minutes from the time appointed for holding the meeting, or if during that adjourned meeting a quorum ceases to be present, the adjourned meeting shall be dissolved.

The Company shall give at least 10 days' notice (in any manner in which notice of a meeting may lawfully be given from time to time) of any meeting adjourned through lack of a quorum.

19.3 **Security at meetings**

The Directors may direct that persons wishing to attend general meetings should submit to such searches, security arrangements and restrictions as the Directors shall consider appropriate in the circumstances. The Directors shall be entitled in their absolute discretion, or may authorise one or more persons who shall include a Director or the Secretary or the Chairman of the meeting:

(a) to refuse entry to that general meeting to any person who fails to submit to those searches or otherwise to comply with those security arrangements or restrictions; and

(b) to eject from that general meeting any person who causes the proceedings to become disorderly.

19.4 **Orderly conduct of meetings**

The Chairman shall take such action or give directions as he thinks fit to promote the orderly conduct of the meeting as laid down in the notice of the meeting, and the Chairman's decision on matters of procedure or arising incidentally from the business of the meeting shall be final as shall be his determination as to whether any matter is of such a nature.

19.5 **Chairman of general meetings**

The Chairman (if any) of the Directors, or, failing whom, the deputy Chairman (if any) must preside as Chairman at every general meeting of the Company. If at any meeting neither shall be present within 15 minutes after the time fixed for holding the meeting and willing to act as Chairman, the Directors present must choose one of their number to be Chairman of the meeting. If no Director is present, or if all the Directors present decline to take the chair, the members present personally or by proxy and entitled to vote shall elect one of themselves to be Chairman of the meeting by a resolution passed at the meeting.

19.6 **Adjournments**

(a) The Chairman of a meeting at which a quorum is present may (without prejudice to any other power of adjournment that he may have under these Articles or at common law) with the consent of that meeting (and must if so directed by the meeting) adjourn the meeting from time to time and from place to place or without specification of a time or place. In addition, the Chairman may at any time, without the consent of the meeting, adjourn any meeting from time to time and from place to place if it appears to the Chairman that:

(i) the number of persons wishing to attend cannot be conveniently accommodated in the place(s) for the meeting; or

(ii) the unruly conduct of persons attending the meeting prevents or is likely to prevent the orderly continuation of the business of the meeting; or

(iii) an adjournment is otherwise necessary so that the business of the meeting may be properly conducted.

(b) No business shall be transacted at any adjourned meeting except business which might lawfully have been transacted at the meeting from which the adjournment took place.

(c) Where a meeting is adjourned without specification of a time or place, the time and place for the adjourned meeting shall be fixed by the Directors.

19.7 **Notice of adjournment**

When a meeting is adjourned for 30 days or more or for an indefinite period, at least seven clear days' notice of the adjourned meeting shall be given in like manner as in the case of the original meeting, but it shall not otherwise be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

19.8 **Amendments to resolutions**

(a) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

(i) notice of the proposed amendment is given to the Secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the meeting may determine); and

(ii) the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.

(b) A special resolution to be proposed at a general meeting may be amended by ordinary resolution if:

(i) the Chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

(ii) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(c) If an amendment shall be proposed to any resolution under consideration but shall in good faith be ruled out of order by the Chairman of the meeting, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.

19.9 **Procedure when meetings held at more than one place**

(a) The provisions of this Article shall apply if any general meeting is held at or adjourned to more than one place.

(b) The notice of such a meeting or adjourned meeting shall specify the place at which the Chairman of the meeting shall preside (for the purposes of this Article 19.9, the "**Specified Place**") and the Directors shall make arrangements for simultaneous attendance and participation at the Specified Place and at other places by members, provided that persons attending at any particular place shall be able to see and hear and be seen and heard by means of audio visual links by persons attending the Specified Place and at the other places at which the meeting is held.

(c) The Directors may from time to time make such arrangements for the purpose of controlling the level of attendance at any such place (whether involving the issue of tickets or the imposition of some geographical or regional means of selection or otherwise) as they shall in their absolute discretion consider

appropriate, and may from time to time vary any such arrangements or make new arrangements in place of them, provided that a member who is not entitled to attend, in person or by proxy, at any particular place shall be entitled so to attend at one of the other places, and the entitlement of any member so to attend the meeting or adjourned meeting at such place shall be subject to any such arrangements as may from time to time be in force and by the notice of meeting or adjourned meeting stated to apply to the meeting.

(d) For the purposes of all other provisions of these Articles, any such meeting shall be treated as being held at the Specified Place.

(e) If a meeting is adjourned to more than one place, not less than seven days' notice of the adjourned meeting shall be given despite any other provision of these Articles.

19.10 **Entitlement to attend and speak**

Without prejudice to Article 24.8 (*No share qualification for Directors*) and subject to the Statutes, the Chairman may invite any person to attend and speak at general meetings of the Company whom the Chairman considers to be equipped by knowledge or experience of the Company's business to assist in the deliberations of the meeting. In addition, the Chairman may invite any person who has been nominated by a member of the Company (provided that the Chairman is satisfied that, at such time as the Chairman may determine, the member holds any shares in the Company as such person's nominee) to attend and, if the Chairman considers it appropriate, to speak at general meetings of the Company.

20. VOTING

20.1 **Method of voting**

At any general meeting, a resolution put to the vote of the meeting must be decided on a show of hands, unless (before, or on the declaration of the result of, the show of hands) a poll is demanded. Subject to the provisions of the Statutes, a poll may be demanded:

(a) by the Chairman of the meeting; or

(b) by at least five members present in person or by proxy (or in the case of a corporate member by duly authorised representative) and entitled to vote on the resolution; or

(c) by a member or members present in person or by proxy (or in the case of a corporate member by duly authorised representative) and representing not less than ten per cent of the total voting rights of all the members having the right to vote on the resolution (excluding any voting rights attached to any shares held as treasury shares); or

(d) by a member or members present in person or by proxy (or in the case of a corporate member by duly authorised representative) holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right (excluding shares in the Company conferring a right to vote on the resolution which are held as treasury shares).

20.2 **Chairman's declaration is final**

Unless a poll is demanded, a declaration by the Chairman of the meeting 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 minute book, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded for or against such resolution.

20.3 **Procedure if poll demanded**

If a poll is demanded, it shall be taken in such manner (including the use of ballot or voting papers or cards) as the Chairman of the meeting may direct. The Chairman may appoint scrutineers (who need not be members) and may adjourn the meeting to some time, date and place fixed by him for the purpose of declaring the result of the poll. The result of a poll shall be the decision of the meeting in respect of which it was demanded.

20.4 **Timing of a poll**

A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either immediately or at some time later during or at the end of the meeting or at such subsequent time, date (not being more than thirty days from the date of the meeting) and place as the Chairman of the meeting may direct. No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case, at least seven clear days' notice shall be given (in any manner in which notice of a meeting may lawfully be given from time to time) specifying the time and place at which the poll is to be taken.

20.5 **Continuance of other business after demand for a poll**

The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded.

20.6 **Withdrawal of demand for a poll**

The demand for a poll may, at any time before the conclusion of the meeting, be withdrawn but only with the consent of the Chairman, and if it is so withdrawn:

(a) before the result of a show of hands is declared, the meeting continues as if the demand had not been made; or

(b) after the result of a show of hands is declared, the demand must not be taken to have invalidated that result,

but if a demand is withdrawn, the Chairman of the meeting or other member or members so entitled may himself or themselves demand a poll.

20.7 **No casting vote of Chairman**

In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded is not entitled to a second or casting vote in addition to the votes which he may have.

21. VOTES OF MEMBERS

21.1 **Votes of members**

Subject to any other provision of these Articles and without prejudice to any special rights, privileges or restrictions as to voting attached to any shares for the time being forming part of the capital of the Company:

(a) on a show of hands:

(i) each member present in person has one vote;

(ii) except as provided in Article 21.1(a)(iii)or (iv)each proxy present in person who has been duly appointed by one or more members entitled to vote on a resolution has one vote;

(iii) each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and the proxy has been instructed by one or more of those members to vote for the resolution and by one or more of those members to vote against it; and

(iv) each proxy present in person has one vote for and one vote against a resolution if the proxy has been duly appointed by more than one member entitled to vote on the resolution and either:

(A) the proxy has been instructed by one or more of those members to vote for the resolution and has been given any discretion by one or more other of those members to vote and the proxy exercises that discretion to vote against it; or

(B) the proxy has been instructed by one or more of those members to vote against the resolution and has been given any discretion by one or more other of those members to vote and the proxy exercises that discretion to vote for it; and

(v) each duly authorised representative of a corporate member and who is present in person has one vote; and

(b) on a poll each member present in person or by proxy or (being a corporation) by a duly authorised representative has one vote for each share held by the member.

For the avoidance of doubt, the Company itself is prohibited (to the extent specified by the Statutes) from exercising any rights to attend or vote at meetings in respect of any shares held by it as treasury shares.

21.2 **Votes show of hands or on a poll**

On a show of hands or on a poll, votes may be given either personally or by proxy or (in the case of a corporate member) by a duly authorised representative, and on a poll a person entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way.

21.3 **Votes of joint holders**

In the case of joint holders of a share, only the vote of the senior holder who votes, whether in person or by proxy, may be counted by the Company, and for this purpose the senior holder is determined by the order in which the names of the joint holders appear in the Register in respect of the share.

21.4 **Voting on behalf of incapable member**

A member in respect of whom an order has been made by any Court having jurisdiction (whether in the United Kingdom or elsewhere) to the effect that he is incapable of running his affairs- may vote, whether on a show of hands or on a poll, by any person authorised in that behalf by that Court, and any such person may vote by proxy. Evidence to the satisfaction of the Directors, acting in their absolute discretion, of the authority of the person claiming to exercise the right to vote shall be deposited at or delivered to the Office (or such other place or address as is specified in accordance with these Articles for the deposit or delivery of appointments of proxy) not later than the last time at which an appointment of proxy should have been deposited or delivered in order to be valid for use at that meeting or on the holding of that poll.

21.5 **No right to vote where sums overdue on shares**

No member (whether in person or by proxy or in the case of a corporate member, by a duly authorised representative) shall (unless the Directors otherwise determine) be entitled to vote or to exercise any other right of membership at any general meeting or at any separate meeting of the holders of any class of shares in the Company in respect of any share held by him unless all calls or other sums presently payable by him in respect of that share in the Company have been paid.

21.6 **Objections to votes**

No objection shall be raised to the admissibility of any vote or to the counting of or failure to count any vote unless it is raised at the meeting or adjourned meeting at which the vote objected to is or may be given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

22. PROXIES

22.1 **Appointment of proxy**

A member may appoint:

(a) another person (who need not be a member of the Company) as his proxy to exercise all or any of his rights to attend, speak and vote at a meeting; and

(b) more than one proxy in relation to a meeting if each proxy is appointed to exercise the rights attached to a different share or shares held by the member.

22.2 **Member's rights when proxy appointed**

Deposit or delivery of an appointment of proxy shall not preclude a member from attending and voting at the meeting or any adjournment of it.

22.3 **Form and execution of proxy**

The appointment of a proxy shall:

(a) be in any usual or common form or in any other form which the Directors may accept;

(b) be signed by the appointor or his attorney or, in the case of a corporation, shall either be given under its common seal (or such form of execution as has the same effect) or signed on its behalf by an attorney or a duly authorised officer of the corporation;

(c) be deemed to include the power to vote on any amendment of a resolution put to the meeting for which it is given, or on any procedural resolution at such meeting, as the proxy thinks fit;

(d) unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates;

(e) be deemed to confer authority to demand, or concur in demanding a poll; and

(f) be notified to the company in writing.

22.4 **Signature of proxy**

The signature of an appointment of proxy need not be witnessed. Where an appointment of proxy is signed on behalf of a corporation by an officer or on behalf of any appointor by an attorney, the Directors may, but shall not be bound to, require reasonable evidence of the authority of any such officer or attorney.

22.5 **Issue of proxy**

The Directors must send or supply proxy forms to all persons entitled to notice of, and to attend and vote at, any general meeting or at any separate meeting of the holders of any class of shares in the Company.

22.6 **Content of proxy**

Such proxy forms shall provide for at least two-way voting on all resolutions to be proposed at that meeting other than resolutions relating to the procedure of the meeting, and may either leave a blank space for the member to insert the name of his chosen proxy or may nominate in the alternative any one or more of the Directors or any other person.

22.7 **Accidental omission to send proxy**

The accidental omission to send an appointment of proxy or the non-receipt of such appointment by any member entitled to attend and vote at a meeting shall not invalidate the proceedings at that meeting.

22.8 **Delivery of proxy**

The appointment of a proxy pursuant to Article 22.3 and any power of attorney or other authority under which it is executed or a copy of the authority certified notarially or in some other way approved by the Directors may:

(a) in the case of an appointment sent by post or by hand, be received at the Office (or at such other place in 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 appointment proposes to vote;

(b) in the case of an appointment sent by electronic means, be received at any address specified or deemed to be specified by the Company for the purpose of receiving a proxy by electronic means not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

(c) in the case of a poll taken more than 48 hours after it was demanded, be received in either manner already described after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or

(d) where the poll is not taken forthwith but is taken less than 48 hours after it was demanded, be delivered at the meeting to the Chairman or to the Secretary or to any Director;

and an appointment of proxy that is not received in a manner and within the time limits so permitted shall be invalid. In calculating the periods mentioned in this Article, no account is to be taken of any part of a day that is not a working day, unless the Directors decide otherwise in relation to a specific general meeting.

22.9 **Conflicting proxies**

When two or more valid but differing appointments of proxy are deposited, delivered or received in respect of the same share for use at the same meeting, the one which is deposited with, delivered to or received by the Company (in accordance with the provisions of this Article) last in time (regardless of the date of its making or

transmission) shall be treated as revoking and replacing any others as regards that share, but if the Company is unable to determine which of any such two or more valid but differing instruments of proxy was so deposited, delivered or received last in time, none of them shall be treated as valid in respect of that share.

22.10 **Use of Uncertificated Proxy Instruction**

Without limiting any other provision of these Articles, in relation to an uncertificated share the Directors may from time to time:

(a) permit appointments of a proxy to be made by means of an Uncertificated Proxy Instruction;

(b) where a proxy has been appointed by means of an Uncertificated Proxy Instruction, permit the revocation of the appointment by means of an Uncertificated Proxy Instruction;

(c) prescribe the method for determining the time at which any such Uncertificated Proxy Instruction is to be treated as received by the Company (or a participant in the Relevant System concerned on its behalf); and

(d) treat any such Uncertificated Proxy Instruction which purports to be or is expressed to be sent on behalf of a holder of a share as sufficient evidence of the authority of the person sending that instruction to send it on behalf of that holder.

22.11 **Meaning of "Uncertificated Proxy Instruction"**

For the purposes of Article 22.10 "**Uncertificated Proxy Instruction**" means a communication in the form of:

(a) an instruction which is properly authenticated as determined by the Regulations;

(b) any other instruction or notification; or

(c) any supplemented or amended instruction or notification,

in each case sent by means of the Relevant System concerned and received by such participant in that system acting on behalf of the Company (and in such form and on such terms and conditions) as the Directors may determine subject to the facilities and requirements of that system.

22.12 **Maximum validity of proxy**

No appointment of proxy shall be valid after the expiration of 12 months from the date stated in it as its date of execution except at an adjourned meeting or on a poll demanded at a meeting or an adjourned meeting where the meeting was originally held within 12 months from such date.

22.13 **Termination of proxy's authority**

(a) The termination of the authority of a person to act as proxy must be notified to the Company in writing;

(b) The termination of the authority of a person to act as proxy does not affect;

(i) whether that person counts in deciding whether there is a quorum at a meeting or adjourned meeting, the validity of anything that person does as Chairman of a meeting or adjourned meeting or the validity of a poll demanded by that person at a meeting unless the Company receives notice of termination before the commencement of the meeting or adjourned meeting;

(ii) the validity of a vote given by that person unless the Company receives notice of termination before the commencement of the meeting or adjourned meeting at which the vote is given or, in the case of a poll taken more than 48 hours after it is demanded, before the time appointed for taking the poll;

(c) The notice of the termination must be received at an address that is specified in Article 22.8(a) or, if the appointment of the proxy was sent by electronic means, at an address that is specified or deemed to be specified in Article 22.8(b).

22.14 **Validity of Proxy Votes**

Any vote cast by a proxy who does not vote in accordance with any instructions given by the member by whom he is appointed shall be treated as being valid. The Company shall not be bound to enquire whether a proxy has complied with the instructions he has been given.

23. CORPORATE REPRESENTATIVES

23.1 A corporate member, may by resolution of its directors or other governing body, authorise such person or persons as it deems fit to act as its representative (or representatives) at any meeting of the Company or at any class meeting.

23.2 Any person so authorised shall be entitled to exercise the same powers on behalf of the corporation (in respect of that part of the corporation's holdings to which the authority relates) as the corporation could exercise if it were an individual member. Such a corporation is for the purposes of these Articles deemed to be present in person at any meeting if a person or persons so authorised is or are present at it.

23.3 A certified copy of any such resolution shall be delivered at the meeting to the Chairman of the meeting or Secretary or any person appointed by the Company to receive such authorisation, and unless the certified copy of the resolution is so delivered the authority granted by the resolution shall not be treated as valid.

23.4 The authority granted by any such resolution shall, unless the contrary is stated in the certified copy thereof delivered to the Company pursuant to this Article, be treated as valid for any adjournment of any meeting at which such authority may be used.

23.5 Where certified copies of two or more valid but differing resolutions authorising any person or persons to act as the representative of any corporation pursuant to this Article at the same meeting in respect of the same share are delivered, the resolution, a certified copy of which is delivered to the Company (in accordance with the provisions of this Article) last in time (regardless of the date of such certified copy or of the date upon which the resolution set out therein was passed), shall be treated as revoking and replacing all other such authorities as regards that share, but if the Company is unable to determine which of any such two or more valid but differing resolutions was so deposited last in time, none of them shall be treated as valid in respect of that share.

24. NUMBER, APPOINTMENT, CLASSIFICATION AND REMOVAL OF DIRECTORS

24.1 **Number of Directors**

(a) Unless and until the Company in general meeting otherwise determines, the number of Directors shall not be subject to any maximum but shall not be less than two.

(b) If the number of Directors is reduced below the minimum number fixed by or in accordance with these Articles, the continuing Director or Directors may act for the purpose of filling up vacancies in his or their number or of calling a general meeting of the Company, but not for any other purpose. If there are no Directors able or willing to act, then any two members may summon a general meeting for the purpose of appointing directors.

24.2 **Power of the Directors to appoint additional Directors**

Subject to these Articles, the Directors may appoint any person who is willing to act as a Director and is permitted to do so by the Statutes, to be an additional Director, but so that the total number of Directors does not exceed any maximum number of Directors fixed by or in accordance with these Articles. Any Director so appointed shall be designated as a Class I Director, Class II Director or Class III Director as determined by the Board and shall hold office only for the remainder of the then present term of office of the Class to which he or she was appointed. In the event such term extends beyond the next annual general meeting for which a notice of the meeting has not been sent at the time of the appointment, the Director or Directors so appointed shall be named and described in the notice of the next annual general meeting and shall stand for election for the remaining portion of the term of office at such annual general meeting.

24.3 **Power of the Company to appoint additional Directors**

Subject to Articles 24.4(c) and 24.4(e), any person who is willing to act as a Director, and is permitted by the Statutes to do so, may be appointed by the Company to be a Director by ordinary resolution either to fill a casual vacancy or as an addition to the existing Directors or to replace a Director removed from office under Article 24.6 but so that the total number of Directors does not exceed any maximum number fixed by or in accordance with these Articles.

24.4 **Classification of directors**

(a) The Directors of the Company shall be classified with respect to the time for which they severally hold office into three classes (**"Class I"**, **"Class II"** and **"Class III"**), such classes being as nearly equal in number as possible. The initial term of:

(i) Class III shall expire at the annual general meeting to be held in 2018,

(ii) Class II shall expire at the annual general meeting to be held in 2019, and

(iii) Class I shall expire at the annual general meeting to be held in 2020.

(b) Subject to Articles 24.2, 24.4(a) and 24.4(d), each Director within each Class shall retire at the third annual general meeting following the annual general meeting at which he or she was last elected or re-elected. Except as provided in Articles 24.2 and 24.4(c), Directors elected or re-elected at an annual general meeting shall be appointed to the Class whose term is expiring at such meeting. A Director retiring at an annual general meeting shall be eligible for re-election. If a retiring Director is not re-elected, he or she shall hold office until the meeting elects someone in his or her place or, if it does not do so, until the end of the meeting.

(c) In the event of any increase in the number of Directors, the newly created directorships resulting from such increase shall be apportioned by the Board among the Classes of Directors so as to maintain such Classes as nearly equal as possible.

(d) Should a casual vacancy on the Board occur or be created, whether arising through death, retirement, resignation or removal of a Director such casual vacancy shall be filled by the majority vote of the remaining Directors of all Classes, whether or not a quorum, or by a sole remaining Director. Subject to the provisions hereof, any Director appointed to fill a vacancy shall serve for the remainder of the then present term of office of the Class to which he or she was appointed. In the event such term extends beyond the next annual general meeting for which a notice of the meeting has not been sent at the time of the appointment, the Director or Directors so appointed shall be named and described in the notice of the next annual general meeting and shall stand for election for the remaining portion of the term of office at such annual general meeting.

(e) In the event that at a general meeting of the Company it is proposed to vote upon a number of resolutions for the appointment of a person as a Director (each a **"Director Resolution"**) that exceeds the total number of Directors that are to be appointed to the Board at that meeting (the **"Board Number**"), the persons that shall be appointed shall first be the person who receives the greatest number of "for" votes (whether or not a majority of those votes cast in respect of that Director Resolution), and then shall second be the person who receives the second greatest number of "for" votes (whether or not a majority of those votes cast in respect of that Director Resolution), and so on, until the number of Directors so appointed equals the Board Number.

24.5 **No single resolution to appoint two or more Directors**

Except as otherwise authorised by section 160 CA06, the appointment of each person proposed as a Director shall be effected by a separate resolution.

24.6 **Removal of Director by special resolution**

In addition to any power of removal conferred by the Statutes, the Company may by special resolution remove any Director before the expiration of his term of office despite anything in these Articles or in any agreement between the Company and such Director. Such removal shall be without prejudice to any claim which such Director may have for damages for breach of any contract of service or letter of appointment between him and the Company.

24.7 **Removal of Director by decision of the Directors**

A Director may be removed from office if he:

(a) receives written notice signed by all the other Directors removing him from office without prejudice to any claim which such Director may have for damages for breach of any contract of service or letter of appointment between him and the Company; or

(b) in the case of a Director who holds any executive office with the Company or any Subsidiary, ceases to hold such office (whether because his appointment is terminated or expires) and the majority of the other Directors resolve that his office be vacated.

24.8 **No share qualification for Directors**

A Director need not hold any share qualification but is entitled to receive notice of and to attend and speak at any general meeting of the Company or at any class meeting.

24.9 **Vacation of office by Directors**

The office of a Director shall be vacated in any of the following events, namely:

(a) he resigns by notice in writing to the Company;

(b) he offers in writing to resign and the Directors resolve to accept such offer;

(c) a bankruptcy order or an interim order is made against him or he makes any an arrangement or composition with his creditors generally;

(d) a registered medical practitioner who is treating him gives a written opinion to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

(e) he and his alternate (if any) is absent from meetings of the Directors for six successive months without the permission of the Directors and the Directors resolve that his office be vacated;

(f) he ceases to be a Director by any provisions of the Statutes or becomes prohibited by law or (if applicable) the NASDAQ Rules from acting as a Director; or

(g) by reason of that person's health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have.

24.10 **Appointment of executive Directors**

(a) The Directors may from time to time

(i) appoint one or more of their number to hold any employment or executive office with the Company (including, where considered appropriate, but without limitation the office of Chairman, Deputy Chairman, Managing Director, Joint Managing Director, Chief Executive or Deputy Chief Executive) on such terms and for such periods (subject to the provisions of the Statutes and these Articles) as they may determine and, may at any time revoke any such appointment, but so that such revocation shall be without prejudice to any rights or claims which the person whose appointment is revoked may have against the Company by reason of such revocation; and

(ii) permit any person appointed to be a Director to continue in any executive office or employment held by him with the Company before he was so elected or appointed.

(b) The appointment of any Director to the office of Chairman or Chief Executive shall automatically determine if the appointee ceases to be a Director but without prejudice to any rights or claims which he may have against the Company by reason of such determination.

Subject always to the right of the Directors to revoke such appointment in accordance with Article 24.10(a)(i), the appointment of any Director to any executive office or position of employment with the Company (other than the office of Chairman or Chief Executive) shall not automatically determine if he ceases for any cause to be a Director (unless his contract of appointment to such office or employment expressly states otherwise).

25. DIRECTORS' REMUNERATION

25.1 **Directors' fees**

Each of the Directors (other than alternate Directors) may be paid such sum by way of Directors' fees (in addition to any amounts payable under Articles 25.2 or 25.3 or any other provision of these Articles) as the Directors may from time to time determine. Those fees shall be divided among the Directors in such manner as the Directors shall direct and shall be deemed to accrue from day to day.

25.2 **Additional remuneration for Directors**

Any Director who is appointed to hold any employment or executive office with the Company or who, by request of the Company, goes or resides abroad for any purposes of the Company or who otherwise performs services which, in the opinion of the Directors, are outside the scope of his ordinary duties as a Director may be paid such additional remuneration (whether by way of salary, commission, participation in profits or otherwise) as the Directors (or any duly authorised committee of the Directors) may determine and either in addition to or in lieu of any remuneration provided for by or pursuant to any other Article.

25.3 **Expenses**

Each Director may be paid his reasonable travelling expenses (including hotel and incidental expenses) of attending meetings of the Directors or committees of the Directors or general meetings or any class meeting or any other meeting which as a Director he is entitled to attend and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

25.4 **Pensions and gratuities for Directors**

The Directors may exercise all the powers of the Company to provide benefits, either by the payment of gratuities or pensions or by insurance or in any other manner whether similar to the foregoing or not, for any Director or former Director who is or was at any time employed by, or held an executive or other office or place of profit in, the Company or any body corporate which is or has been a Subsidiary of the Company or a predecessor of the business of the Company or of any such Subsidiary and for the family (including a spouse or civil partner or former spouse or civil partner) and dependants of any such person, and may (as well before as after he ceases to hold such office or employment) for the purpose of providing any such benefits contribute to any scheme trust or fund or pay any premiums.

26. POWERS AND DUTIES OF DIRECTORS

26.1 **General powers of a Company vested in Directors**

Subject to the provisions of the Statutes, these Articles and to any directions given by the Company by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company No such direction and no alteration of these Articles shall invalidate any prior act of the Directors which would have been valid if that direction had not been given or that alteration had not been made. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

26.2 **Power to establish local boards**

The Directors may establish any local boards or agencies for managing any of the affairs of the Company, either in the United Kingdom or elsewhere, and may appoint any persons to be members of such local boards and may determine their remuneration. The Directors may delegate to any local board, manager or agent any of

the powers, authorities and discretions vested in the Directors, and may authorise the members of any local board, or any of them, to fill any vacancies therein and to act despite vacancies. No such local board, manager or agent shall, unless the Directors otherwise resolve, have power to sub-delegate any of the powers or discretion delegated to it. Any such appointment or delegation may be made upon such terms and subject to such conditions as the Directors may think fit, and the Directors may remove any person so appointed, and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected by it. Subject to this, the proceedings of any local board shall be governed by such of these Articles as regulate the proceedings of the Directors so far as they are capable of applying.

26.3 **Delegation to committees**

(a) The Directors may delegate any of their powers or discretions (including, without limitation, the power to determine Directors' fees or additional remuneration and to vary the terms and conditions of employment of or confer any other benefit on any of the Directors) to committees. No such committee shall, unless the Directors otherwise resolve, have power to sub-delegate to sub-committees any of the powers or discretion delegated to it. Any such committee or sub-committee shall consist of two or more Directors and (if thought fit) one or more other persons provided that a majority of the members of the committee shall be Directors and no resolutions of the committee shall be effective unless a majority of those present when it is passed are Directors.

(b) Any committee or sub-committee so formed shall in the exercise of the powers so delegated and in the conduct of its meetings and proceedings conform to any regulations which may from time to time be imposed on it by the Directors.

(c) Subject to this, the meetings and proceedings of any such committee or sub-committee consisting of two or more members shall be governed mutates mutandis by the provisions of these Articles regulating the meetings and proceedings of the Directors.

26.4 **Powers of attorney**

The Directors may, from time to time, and at any time by power of attorney or otherwise, appoint any company, firm or person, or any fluctuating body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit. Any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions vested in him. The Directors may revoke or vary any such appointment, but no person dealing in good faith and without notice of such revocation or variation shall be affected by it.

26.5 **Delegation of powers to individual Directors**

The Directors may entrust to and confer upon any Director any of the powers exercisable by them as Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke withdraw alter or vary all or any of such powers but no person dealing in good faith and without notice of the revocation or variation shall be affected by it.

26.6 **Provision for employees**

The Directors may, in accordance with the Statutes, make provision for the benefit of persons employed or formerly employed by the Company or any of its Subsidiaries in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that Subsidiary.

26.7 **Designation of "Director" not to imply Directorship**

The Directors may from time to time appoint any person to a position in the Company having a designation or title including the word "Director", or attach to any existing position with the Company such a designation or title. The inclusion of the word "Director" in the designation or title of any person (other than the office of Managing or Joint Managing Director) shall not imply that such person is a Director of the Company nor shall such person by virtue of such designation or title be empowered m any respect to act as a Director of the Company or be deemed to be a Director for any purpose (including any of the purposes of these Articles).

26.8 **Company name**

The Company may change its registered name in accordance with the Statutes or by resolution of the Directors.

26.9 **Borrowing Powers**

Subject to these Articles and to the provisions of the Statutes, the Directors may exercise all the powers of the Company to:

(a) borrow money;

(b) mortgage or charge all or any part or parts of its undertaking, property and uncalled capital; and

(c) issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party.

26.10 **Directors' power relating to other companies**

The Board may exercise the voting power conferred by the shares in any company held or owned by the Company in any way that it decides (including voting in favour of any resolution appointing any of them directors of that company, or voting or providing for the payment of remuneration to the directors of that company).

27. ALTERNATE DIRECTORS

27.1 Qualification, Appointment and Removal of Alternate Directors

(a) Any Director (other than an alternate Director) may appoint another Director, or any other person approved by the Board, to be an alternate Director and may at any time terminate that appointment by notice in writing.

(b) An alternate Director shall not be required to hold any shares in the Company and shall not be counted in determining any maximum number of Directors permitted by these Articles.

(c) Any appointment or removal of an alternate Director shall be by notice in writing to the Company signed by the Director making or revoking the appointment or in any other manner approved by the Board. A notice of appointment must contain a statement signed by the proposed alternate that he is willing to act as the alternate of the Director giving the notice.

27.2 Determination of appointment

An alternate Director shall automatically cease to be an alternate Director if his appointor ceases to be a Director or dies, but, if a Director retires by rotation or otherwise vacates office and is elected or deemed to have been elected at the meeting at which he retires, any appointment of an alternate Director made by him which was in force immediately prior to his retirement shall continue after his election. The appointment of an alternate Director shall also automatically cease on the happening of any event which, if he were a Director, would cause him to vacate office.

27.3 Rights and powers of alternate Directors

An alternate Director shall (subject to his giving to the Company an address at which notices may be served upon him) be entitled to receive notices of meetings of the Directors and of any committee or sub-committee of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director and be counted in the quorum at any such meeting at which his appointor is not personally present, and at such meeting generally to perform all functions of his appointor as a Director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he (instead of his appointor) were a Director. 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 and an alternate Director who is appointed by two or more Directors shall be entitled to a separate vote on behalf of each of his appointors in the appointor's absence. If his appointor is not available, the alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Apart from this, an alternate Director shall not have power to act as a Director nor shall he be deemed to be a Director for the purposes of these Articles but he shall be an officer of the Company and shall not be deemed to be the agent of the Director appointing him.

27.4 **Alternate Director Responsible for Own Acts**

27.5 Save as otherwise provided in these 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. An alternate Director may be repaid by the Company such expenses as might properly have been repaid to him if he had been a Director but shall not (unless the Company by ordinary resolution otherwise determines), in respect of his office of alternate Director, be entitled to receive any remuneration or fee from the Company. An alternate Director shall be entitled to be indemnified by the Company to the same extent as if he were a Director.

28. MEETINGS AND PROCEEDINGS OF DIRECTORS

28.1 **Directors' proceedings**

Subject to the provisions of these Articles, the Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall, unless otherwise specified by these Articles, be determined by a majority of votes. In case of an equality of votes, the Chairman of the meeting shall have a second or casting vote (unless he is not entitled to vote on the resolution in question). A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Directors.

28.2 **Notice of Directors' meetings**

A Director shall be entitled to receive notices of meetings of the Directors and of any committee or sub-committee of the Directors of which he is a member. Notice of such meeting shall be deemed to be duly given to each Director if it is given to him personally or by word of mouth or sent in writing to him at his last-known address or any other address given by him to the Company for this purpose or sent by way of electronic communication to an address for the time being notified by him to the Company for this purpose. Any Director may waive notice of any meeting and such waiver may be retrospective.

28.3 **Directors' meetings by telephone or similar communications equipment**

All or any of the Directors, or the members of any committee or sub-committee of the Directors, may participate in a meeting of the Directors or of such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote and to be counted in a quorum accordingly. 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 is present. Subject to the Statutes, all business transacted in such a manner by the Directors or a committee of the Directors shall, for the purposes of these Articles, be deemed to be validly and effectively transacted at a meeting of the Directors or a committee of the Directors, notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place.

28.4 **Quorum**

The quorum necessary for the transaction of the business of the Directors may be fixed from time to time by the Directors, and, unless so fixed at any other number, shall be two. A Director or other person who is present at a meeting of the Board in more than one capacity (that is to say, as both Director and an alternate Director or as an alternate for more than one Director) shall not be counted as two or more for quorum purposes unless at least one other Director or alternate Director is also present.

28.5 **Appointment and removal of Chairman**

The Directors may elect from their number a Chairman and a Deputy Chairman to be Chairman of their meetings on such terms and for such periods (subject to the Statutes and any retirement from office under Article 24.4 (Classification of directors)) as they may determine. The Directors may also remove the Chairman or Deputy Chairman or such other Director, without prejudice to any rights or claims which he may have against the Company by reason of such removal, from such office or otherwise stipulate the period for which they respectively are to hold the same. If no such Chairman or Deputy Chairman is appointed, or if at any meeting neither is present within fifteen minutes after the time appointed for holding that meeting, the Directors present may choose one of their number to be Chairman of the meeting.

28.6 **Directors written resolutions**

(a) A resolution in writing signed, or confirmed electronically, by all the Directors for the time being entitled to receive notice of a meeting of the Directors or a duly appointed committee for the time being (not being in either case less than the number required to form a quorum) shall be as valid and effective as a resolution duly passed at a meeting of the Directors duly convened and held.

(b) The resolution may consist of several documents or electronic communications in like terms each signed or authenticated by one or more of the Directors. A resolution signed by an alternate Director need not also be signed by the Director who appointed him.

28.7 **Validity of acts of Directors or committee**

All acts done by any meeting of the Directors, or of a committee or sub-committee of the Directors, or by any person acting as a Director or as an alternate Director or as a member of any such committee or sub-committee, shall as regards all persons dealing in good faith with the Company (and even if it is discovered afterwards that there was some defect in the appointment or continuance in office of any of those persons, or that any of them were disqualified, 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 or, as the case may be, an alternate Director or member of the committee and had been entitled to vote.

29. DIRECTORS' INTERESTS

29.1 **Declarations of interest relating to transactions or arrangements**

(a) Subject to the provisions of the Statutes, and provided that he has made the disclosures required by this Article, a Director notwithstanding his office may be a party to or otherwise directly or indirectly interested in:

(i) any transaction or arrangement with the Company or in which the Company is otherwise interested; or

(ii) a proposed transaction or arrangement with the Company.

(b) A Director shall, subject to sub-section 177(6) CA06, be required to disclose all interests whether or not material in any transaction or arrangement referred to in Article 29.1(a) and the declaration of interest must (in the case of a transaction or arrangement referred to in Article 29.1(a)(a)(i)) and may (in the case of a transaction or arrangement referred to in Article 29.1(a)(a)(ii)), but need not, be made:

(i) at a meeting of the Directors; or

(ii) by notice to the Directors in accordance with:

(A) section 184 CA06 (notice in writing); or

(B) section 185 CA06 (general notice).

(c) The Board may resolve that any situation referred to in Article 29.1(a) and disclosed to them thereunder shall also be subject to such terms as they may determine including, without limitation, the terms referred to in Articles 29.2(d)(i) to (iv).

29.2 **Directors' interests other than in relation to transactions or arrangements with the Company**

(a) For the purposes of section 175 CA06, the Board shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. For these purposes reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties. This Article does not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company which is governed by Article 29.1.

(b) Authorisation of a matter under this Article shall be effective only if:

(i) the matter in question shall have been proposed in writing (giving full particulars of the relevant situation) for consideration at a meeting of the Board, in accordance with the Board's normal procedures or in such other manner as the Board may approve;

(ii) any requirement as to the quorum at the meeting of the Board at which the matter is considered is met without counting the Director in question and any other interested Director (together the "**Interested Directors**"); and

(iii) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

(c) Any authorisation of a matter pursuant to this Article shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorized.

(d) Any authorisation of a matter under this Article shall be subject to such terms as the Board may determine, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the Board at any time Such terms may include, without limitation, terms that the relevant Directors:

(i) will not be obliged to disclose to the Company or use for the benefit of the Company any confidential information received by him otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to a third party;

(ii) may be required by the Company to maintain in the strictest confidence any confidential information relating to the Company which also relates to the situation as a result of which the conflict arises (the "**conflict situation**");

(iii) may be required by the Company not to attend any part of a meeting of the Directors at which any matter which may be relevant to the conflict situation is to be discussed, and not to view any board papers relating to such matters; and

(iv) shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of the conflict situation.

A Director shall comply with any obligation imposed on him by the Board pursuant to any such authorisation.

(e) A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or a person connected with him) derives from any matter authorised by the Board under this Article or any matter permitted in accordance with Article 29.1(a), and any contract, transaction or arrangement relating thereto shall not be liable to be voided on the grounds of any such benefit.

29.3 **Material interests and conflicts of interest**

(a) Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has, directly or indirectly, an interest (other than by virtue of his interest in shares, debentures or other securities of or in or

otherwise through the Company) which is material, or a duty which conflicts or may conflict with the interests of the Company, unless his interest or duty arises only because one of the following Articles applies (in which case he may vote and be counted in the quorum):

(i) the resolution relates to the giving to him or any other person of a guarantee, security or indemnity in respect of money lent to, or an obligation incurred by him or by any other person at the request of or for the benefit of, the Company or any of its Subsidiaries;

(ii) the resolution relates to the giving to a third party of a guarantee, security or indemnity in respect of an obligation of the Company or any of its Subsidiaries for which the Director has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;

(iii) the resolution relates to a proposal or contract concerning an offer of shares or debentures or other securities of or by the Company or any of its Subsidiaries, if the Director takes part because he is or may be entitled to participate as a holder of shares, debentures or other securities, or if he takes part in the underwriting, sub-underwriting or guarantee of the offer;

(iv) the resolution relates to any proposal concerning any other company in which he is interested, directly or indirectly, and whether as an officer or shareholder or otherwise howsoever provided that he does not hold an interest in shares (as that term is used in Part 22 CA06) representing one per cent or more of either any class of the equity share capital of such company or of the voting rights available to members of such company (any such interest being deemed for the purpose of this Article to be a material interest in all circumstances);

(v) the resolution relates to any arrangement for the benefit of the employees of the Company or any of its Subsidiaries, which does not award him any privilege or benefit not generally awarded to the employees to whom such arrangement relates;

(vi) the resolution relates to any proposal concerning any insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any of the Directors or for persons who include Directors provided that, for the purposes of this Article, "**insurance**" means only insurance against liability incurred by a Director in respect of any act or omission by him as is referred to in Article 41.4 or any other insurance which the Company is empowered to purchase and/or maintain for or for the benefit of any groups of persons consisting of or including Directors;

(vii) the resolution relates to the giving to a Director of an indemnity against liabilities incurred or to be incurred by that Director in the execution and discharge of his duties; or

(viii) the resolution relates to the provision of a Director of funds to meet expenditure incurred or to be incurred by that Director in defending criminal or civil proceedings against him or in connection with any application under any of the provisions mentioned in section 205(5) CA06 or otherwise enabling him to avoid incurring that expenditures.

(b) For the purposes of Articles 29.1 to 29.3 inclusive:

(i) an interest of a person who is, for any purpose of the CA06 (excluding any such modification thereof not in force when these Articles became binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director otherwise has; and

(ii) 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.

(c) A Director shall not be counted in the quorum present at a meeting in relation to a resolution on which he is not entitled to vote.

29.4 **Directors voting on appointments**

Where proposals are under consideration concerning the appointment (including the fixing or varying of terms of appointment) of two or more Directors to offices or employments with the Company or any body corporate in which the Company is interested, the proposals may be divided and considered in relation to each Director separately and (provided he is not caught by the proviso to Article 29.3(a)(iv) or for another reason precluded from voting) each of the Directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

29.5 **Chairman's ruling is final**

If a question arises at a meeting of the Board or of a committee of the Board as to the right of a Director to vote, the question may, before the conclusion of the meeting, be referred to the Chairman of the meeting (or if the Director concerned is the Chairman, to the Deputy Chairman of the meeting who if not already appointed under Article 28.5 (*Appointment and removal of Chairman*) is the non-executive Director who has been in office as a non-executive Director the longest)) and his ruling in relation to any Director (or, as the case may be, the ruling of the majority of the Deputy Chairman in relation to the Chairman) shall be final and conclusive except in a case where the nature or extent of the interests of the Directors concerned have not been fairly disclosed.

30. SECRETARY

30.1 **Appointment, remuneration and removal**

Subject to the Statutes, 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 from office by the Directors but at any time without prejudice to any claim for damages for breach of any contract of service or contract for services, between him and the Company. If thought fit, two or more persons may be appointed as joint Secretaries and the Directors may also appoint from time to time on such terms as they think fit one or more assistant or deputy Secretaries.

30.2 **Acting as both Director and Secretary**

Any provision of the Statutes or these Articles requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done by or to the same person acting both as Director and as, or in the place of, the Secretary.

31. AUTHENTICATION OF DOCUMENTS

31.1 Any Director or the Secretary or any person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any resolutions passed by the Company or the Directors or any committee of the Directors and any books, records, documents and accounts relating to the business of the Company and to certify copies of them or extracts from them as true copies or extracts, and, where any books, records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody of them shall be deemed to be a person appointed by the Directors for the above purposes.

31.2 A document purporting to be a copy of a resolution or an extract from the minutes of a meeting of the Company or of the Directors or any committee, which is certified as described in this Article, shall be conclusive evidence in favour of all persons dealing with the Company that such resolution has been duly passed or, as the case may be, that such minutes or extract is a true and accurate record of proceedings at a duly constituted meeting.

32. **THE SEAL**

32.1 In addition to its powers under section 44 CA06, the Company may have a seal and the Directors shall provide for the safe custody of such seal. The seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. The Directors shall determine who may sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall also be signed by at least one authorised person in the presence of a witness who attests the signature. For the purpose of this Article an authorised person is any director of the Company, Company secretary or any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

32.2 All forms of certificates for shares or debentures or representing any other form of security (other than letters of allotment or scrip certificates) shall be issued executed by the Company but the Directors may by resolution determine, either generally or in any particular case, that any signatures may be affixed to such certificates by some mechanical or other means or may be printed on them or that such certificates need not bear any signature.

32.3 If the Company has**:**

(a) an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, had been authorised by a decision of the Directors; and

(b) a security seal, it may only be affixed to securities by the Company secretary or a person authorised to apply it to securities by the Secretary.

33. MINUTES AND BOOKS

33.1 **Minutes**

The Directors shall cause minutes to be made and kept in books:

(a) of all appointments of officers made by the Directors;

(b) of the names of the Directors present at each meeting of the Directors and of any committee of the Directors; and

(c) of proceedings at meetings of the Directors and of any committee of the Directors; and

(d) of all resolutions of the Company, proceedings at meetings of the Company or class meetings.

Those minutes, if purporting to be authenticated by the Chairman of the meeting to which they relate or of the Chairman of the next meeting, shall be sufficient evidence of the facts stated in them without any further proof. Any such minutes must be kept for the period specified in the CA06.

33.2 **Statutory books and registers**

The Directors shall cause accounting records to be kept and such other books and registers as are necessary to comply with the provisions of the Statutes and, subject to the provisions of the Statutes, the Directors may cause the Company to keep an overseas or local or other register in any place, and the Directors may make and vary such directions as they may deem fit respecting the keeping of the registers.

34. ACCOUNTS

34.1 **Records to be kept and inspection of records**

Accounting records sufficient to show and explain the Company's transactions and otherwise complying with the Statutes shall be kept at the Office or (subject to the provisions of the Statutes) at such other place in the United Kingdom as the Directors think fit, and shall always be open to inspection by the officers of the Company. No member (other than a Director or other officer of the Company) or other person shall have any right of inspecting any account or book or document of the Company, except as conferred by the Statutes or authorised by the Directors or by an ordinary resolution of the Company or under an order of a Court of competent jurisdiction.

34.2 **Preparation of accounts and reports**

The Directors shall in respect of each financial year in accordance with the Statutes cause to be prepared and to be laid before the Company in general meeting such profit and loss accounts, income statements, balance sheets, group accounts (if any), other financial statements and reports as are required by the Statutes.

34.3 **Publication of annual accounts**

A copy of every balance sheet and profit and loss account or income statement (including every document required by law to be annexed to them) which is to be laid before the Company in general meeting and of the Directors' and Auditors' reports shall, not less than 21 clear days before the date of the meeting, be sent (which for the avoidance of doubt shall include where given in electronic form by website communication, by post or by any other means permitted by Article 39) or sent by

post to every member and debenture-holder of the Company and to every other person who is entitled to receive notices of meetings from the Company under the provisions of the Statutes or of these Articles, provided that this Article shall not require a copy of these documents to be sent to any person of whose current address the Company is not aware, but any member or holder of debentures to whom a copy of these documents has not been sent shall be entitled to receive a copy free of charge on application at the Office.

34.4 **Summary financial statements**

The requirements of Article 34.3 shall be deemed satisfied by sending to the requisite persons, where permitted by the Statutes and instead of the copies referred to in that Article, a summary financial statement derived from the Company's annual accounts and the Directors' report and prepared in the form and containing the information prescribed by the Statutes.

35. AUDITORS

Auditors of the Company shall be appointed and their duties regulated in accordance with the Statutes. The Auditors' report to the members made pursuant to the Statutes shall be laid before the Company in general meeting and shall be open to inspection by any member.

36. DIVIDENDS

36.1 **Declaration of dividends by Company**

Subject to the provisions of the Statutes, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members but no such dividend shall exceed the amount recommended by the Directors. For the avoidance of doubt, no dividend shall be payable to the Company itself in respect of any shares held by it as treasury shares (except to the extent permitted by the Statutes).

36.2 **Payment of fixed and interim dividends**

(a) The Directors may pay fixed dividends payable on any shares of the Company with preferential rights, half-yearly or otherwise, on fixed dates whenever the profits of the Company in the opinion of the Directors justify that course, and the Directors may also from time to time declare and pay to the holders of any class of shares such interim dividends as appear to the Directors to be justified by those profits.

(b) Without prejudice to the generality of the foregoing, if at any time the share capital of the Company is divided into different classes, the Directors may pay interim dividends on shares in the capital of the Company which confer deferred or nonpreferential rights as well as in respect of shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferential rights if, at the time of payment, any preferential dividend is in arrears. Provided the Directors act in good faith, the Directors shall not incur any liability to the holders of shares conferring any preferential rights for any loss that they may suffer by reason of the lawful payment of an interim dividend on any shares having deferred or non-preferential rights.

36.3 **Currency of dividends and payment paid according to amount and period shares paid up**

(a) Dividends may be declared or paid in any currency and the Directors may decide the rate of exchange for any currency conversions that may be required, and how any costs involved are to be met, in relation to the currency of any dividend.

(b) Unless and to the extent that the rights attached to or terms of issue of any shares provide otherwise, all dividends shall be:

(i) declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid up on a share in advance of a call shall be treated for the purposes of this Article as paid up on the share; and

(ii) apportioned and paid in proportion to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

36.4 **Amount due on shares may be deducted from dividends**

The Directors may deduct from any dividend or other moneys payable to any member on or in respect of a share all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to shares of the Company and may apply them in or towards satisfaction of such debts or liabilities.

36.5 **Dividends paid to member on share register at record date**

All dividends and interest (if any) shall belong and be paid (subject to any lien of the Company) to those members whose names shall be on the Register at the record date fixed in accordance with Article 36.14 despite any subsequent transfer or transmission of shares.

36.6 **Retention of dividends on transmission**

The Directors may retain the dividends payable upon shares in respect of which any person is under the provisions as to the transmission of shares contained in these Articles entitled to become a member, or which any person is under those provisions entitled to transfer, until that person shall become a member in respect of those shares or shall transfer them.

36.7 **Retention of dividends where Company has a lien**

The Directors may retain any dividends or other moneys payable on or in respect of a share on which the Company has a lien, and may apply them in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

36.8 **Payment procedure**

Any dividend, interest or other moneys payable in cash in respect of registered shares may be paid by cheque, warrant or similar financial instrument sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque, warrant or similar financial instrument shall be made payable to, or (at the Company's discretion) to the order of, the person to whom it is sent and may be crossed "A/C Payee" or otherwise and shall be sent at the risk of such person. Payment of any cheque, warrant or similar financial instrument by the banker on whom it is drawn shall be a good discharge to the Company. In addition, any such dividend or other sum may be paid by any bank or other funds transfer system or such other means (including, in relation to any dividend or other sum payable in respect of shares held in uncertificated form, by means of a Relevant System in any manner permitted by the rules of the Relevant System concerned) and to or through such person as the holder or joint holders (as the case may be) may in writing direct, and the Company shall have no responsibility for any sums lost or delayed in the course of any such transfer or where it has acted on any such directions. Any one, two or more joint holders may give effectual receipts for any dividends or other moneys payable in respect of the shares held by them as joint holders.

36.9 **Forfeiture of unclaimed dividends**

All dividends unclaimed for one year after having been declared may be invested or otherwise made use of, at the Directors' discretion, for the benefit of the Company until, subject as provided in these Articles, claimed. The payment by the Directors of any unclaimed dividend or other sum payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect of it. Any dividend unclaimed after a period of 12 years from the date when it became due for payment shall be forfeited and shall revert to the Company.

36.10 **Uncashed dividends**

The Company may cease to send any cheque or warrant through the post or may stop the transfer of any sum by any bank or other funds transfer system or may stop any other means of payment made pursuant to Article 36.8, as the case may be, for any dividend payable on any shares in the Company which is normally paid in that manner on those shares if either:

(a) in respect of at least two consecutive dividends payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or the transfer or other means of payment has failed; or

(b) in respect of one dividend payable on those shares the cheques or warrants have been returned undelivered or remain uncashed or the transfer or other means of payment has failed and reasonable enquiries made by the Company have failed to establish any new address of the holder of those shares,

but, subject to the provisions of these Articles, shall, in either case, recommence sending cheques or warrants or transferring funds or using the other means of payment, as the case may be, in respect of dividends payable on those shares if the holder or person entitled by transmission claims the arrears of dividend in which event the Company shall resume payment of dividend (and arrears) as notified by the claimant or, in the absence of such notification, in the same manner in which payment was effected prior to the suspension of the payment of dividend. If any such cheque, warrant or order has or is alleged to have been lost stolen or destroyed, the Directors may, on request of the person entitled to it, issue a replacement cheque, warrant or order subject to compliance with such conditions as to evidence and indemnity and the payment of out of pocket expenses of the Company in connection with the request as the Directors may think fit.

36.11 **No interest on dividends**

No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise expressly provided by the rights attached to the share.

36.12 **Dividend not in cash**

The Company may, upon the recommendation of the Directors, by ordinary resolution, direct payment of a dividend wholly or partly by the distribution of specific assets (and in particular of paid up shares or debentures of any other company) and the Directors shall give effect to such resolution. Where any difficulty arises in regard to that distribution (including, without limitation, in relation to fractional entitlements or legal or practical problems under the law of, or the requirements of any recognised regulatory body or any stock exchange in, any country or territory), the Directors may settle the same as they think fit and in particular may issue fractional certificates (or ignore fractions) and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all members and may vest any assets in trustees, upon trust for the members entitled to the dividend and may determine that cash shall be paid to any overseas holder upon the footing of the value so fixed.

36.13 **Waiver of dividend**

The waiver, in whole or in part, of any dividend on any share by any document shall be effective only if such document is signed by the holder (or the person entitled to the share in consequence of the death or bankruptcy of the holder or by other operation of law) and delivered to the Company and to the extent that the same is accepted as such or acted upon by the Company.

36.14 **Record dates**

Despite any other provision of these Articles but subject always to the Statutes, the Company or the Directors may by resolution specify a date (the "**record date**") as the date at the close of business (or such other time as the Directors may determine) on which persons registered as the holders of shares or other securities shall be entitled to receipt of any dividend, distribution, allotment, issue, notice, information, document or circular and such record date may be on or before the date the same is made, paid or despatched or (in the case of any dividend, interest, allotment or issue) after the date on which the same is recommended, resolved, declared or announced but without prejudice to the rights inter se in respect of the same of the transferors and transferees of any such shares or other securities.

36.15 **Scrip dividends**

With the prior approval of an ordinary resolution of the Company passed at any general meeting the Directors may, in respect of any dividend specified by the ordinary resolution, offer any holders of Ordinary Shares (excluding, for the avoidance of doubt, the Company itself to the extent that it is such a holder by virtue only of its holding any shares as treasury shares) the right to elect to receive in lieu of that dividend (or part of any of that dividend) an allotment of Ordinary Shares credited as fully paid. In any such case, the following provisions shall apply:

(a) the ordinary resolution may authorise the Directors to make such offer in respect of a particular dividend (whether or not already declared or recommended) and/or in respect of all or any dividends declared, proposed to be paid or made within a specified period but such period may not end later than the conclusion of the fifth annual general meeting following the date of the meeting at which the ordinary resolution is passed

(b) the basis of allotment shall be determined by the Directors so that the value (calculated at the Relevant Price) of the additional Ordinary Shares that each holder of Ordinary Shares elects to receive, and which shall be allotted in lieu of any amount of dividend shall equal as nearly as possible the net cash amount of the dividend that such holder elects to forgo. For the purposes of this Article 36.15, the "**Relevant Price**" of an Ordinary Share shall be equal to the average middle market quotation for the Ordinary Shares on NASDAQ, or such other stock exchange or quotation service on which the Ordinary Shares are listed or quoted, as derived from such source as the Directors may deem appropriate, on such five consecutive dealing days as the Directors shall determine provided the first of such days shall be on or after the day on which such Ordinary Shares are first quoted "**ex**" the relevant dividend, or shall be calculated in such other manner as the Directors may determine (subject always to the Relevant Price never being less than the par value of the new shares) and is set out in the announcement of the availability of the election in respect of the relevant dividend. A certificate or report by the Auditors as to the amount of the Relevant Price in respect of any dividend shall be conclusive evidence of that amount and in giving such a certificate or report the Auditors may rely on advice or information from brokers or other sources of information as they think fit;

(c) if the Directors determine to allow such right of election on any occasion they shall give notice in writing to the holders of Ordinary Shares of the right of election offered to them and shall specify the procedure to be followed (which, for the avoidance of doubt, may include an election by means of a Relevant System). The accidental omission to give notice of any right of election to, or the non-receipt (even if the Company becomes aware of such non-receipt) of any such notice by, any holder of Ordinary Shares entitled to the same shall neither invalidate any offer of an election nor give rise to any claim, suit or action;

(d) the dividend (or that part of the dividend in respect of which a right of election has been offered) shall not be payable in cash on Ordinary Shares in respect of which the share election has been duly exercised (for the purposes of this Article 36.15, the "**elected Ordinary Shares**"), and in the place of that dividend additional shares (subject to paragraph (e)) shall be allotted to the holders of the elected Ordinary Shares on the basis of allotment determined as already described. For this purpose, the Directors shall capitalise, out of such of the sums standing to the credit of any reserve (including any share premium account or capital redemption reserve and/or profit and loss account) as the Directors may determine, whether or not the same is available for distribution, a sum equal to the aggregate nominal amount of additional Ordinary Shares to be allotted on such basis and shall apply the same in paying up in full the appropriate number of Ordinary Shares for allotment and distribution to and amongst the holders of the elected Ordinary Shares on such basis. The Board may do all acts and things considered necessary or expedient to give effect to any such capitalisation;

(e) no fraction of any share shall be allotted. The Directors may make provisions as they think fit for any fractional entitlements including provisions whereby, in whole or in part, the benefit of any fractions accrues to the Company and/or under which fractional entitlements are accrued and/or retained and in each case accumulated on behalf of any shareholder and such accruals or retentions are applied to the allotment by way of bonus to or cash subscription on behalf of such shareholder of fully paid shares and/or provisions whereby cash payments may be made to members in respect of their fractional entitlements;

(f) the additional Ordinary Shares so allotted shall rank pari passu in all respects with each other and with the fully paid Ordinary Shares in issue on the record date for the dividend in respect of which the right of election has been offered, except that they will not rank for any dividend or other distribution or other entitlement which has been declared, paid or made by reference to such record date;

(g) Article 38 (*Capitalisation of reserves*) shall apply (mutatis mutandis) to any capitalisation made pursuant to this Article;

(h) the Directors may on any occasion determine that rights of election shall not be made available in respect of Ordinary Shares represented by depositary receipts or to any holders of Ordinary Shares with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of rights of election would or might be unlawful, undesirable or impracticable and in such event the provisions of this Article shall be read and construed subject to such determination;

(i) in relation to any particular proposed dividend the Directors may in their absolute discretion amend, suspend or withdraw the offer previously made to holders of Ordinary Shares to elect to receive additional Ordinary Shares in lieu of the cash dividend (or any part of it) at any time prior to the allotment of the additional Ordinary Shares; and

(j) unless the Directors otherwise determine, or unless the Regulations and/or the rules of the Relevant System concerned otherwise require, the new Ordinary Share or shares which a shareholder has elected to receive instead of cash in respect of the whole (or some part) of the specified dividend declared in respect of his elected Ordinary Shares shall be in uncertificated form (in respect of the shareholder's elected Ordinary Shares which were in uncertificated form on the date of his election) and in certificated form (in respect of the shareholder's elected Ordinary Shares which were in certificated form on the date of his election).

37. RESERVES

The Directors may, before recommending any dividend, set aside out of the profits of the Company and carry to reserve such sums as they think proper, which shall, at the discretion of the Directors, be applicable for any purpose to which the profits of the Company may properly be applied and, pending such application, may either be employed in the business of the Company or be invested in such investments (subject to the provisions of the Statutes) as the Directors may from time to time think fit and so that it shall not be necessary to keep any investments constituting the reserve or reserves separate or distinct from any other investments of the Company. The Directors may also, without placing the same to reserve, carry forward any profits which they may think it prudent not to distribute. The Directors shall transfer to share premium account as required by the Statutes sums equal to the amount or value of any premiums at which any shares of the Company shall be issued.

38. CAPITALISATION OF RESERVES

38.1 Power to capitalise reserves and funds

The Board may at any time and from time to time, with the authority of an ordinary resolution of the Company:

(a) subject as provided in this Article, 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 any reserve or fund of the Company which is available for distribution or standing to the credit of the share premium account or capital redemption reserve or other undistributable reserve;

(b) appropriate the sum resolved to be capitalised to the members in proportion to the nominal amounts of the shares (whether or not fully paid) held by them respectively which would entitle them to participate in a distribution of that sum if the shares were fully paid and the sum were then distributable and were distributed by way of dividend 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, provided that:

(i) the share premium account, the capital redemption reserve, any other undistributable reserve and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up in full shares to be allotted to members credited as fully paid;

(ii) the Company will also be entitled to participate in the relevant distribution in relation to any shares of the relevant class held by it as treasury shares and the proportionate entitlement of the relevant class of members to the distribution will be calculated accordingly; and

(iii) in a case where any sum is applied in paying amounts for the time being unpaid on any shares of the Company or in paying up in full debentures of the Company, the amount of the net assets of the Company at that time in not less than the aggregate of the called up share capital of the Company and its undistributable reserves as shown in the latest audited accounts of the Company or such other accounts as may be relevant and would not be reduced below that aggregate by the payment of it;

(c) resolve that any shares so allotted to any member in respect of a holding by him of any partly paid shares shall, so long as such shares remain partly paid, rank for dividends only to the extent that such partly paid shares rank for dividends;

(d) make such provision by the issue of fractional certificates (or by ignoring fractions or by accruing the benefit of it to the Company rather than to the members concerned) or by payment in cash or otherwise as it thinks fit in the case of shares or debentures becoming distributable in fractions;

(e) authorise any person to enter on behalf of such members concerned into an agreement with the Company providing for either:

(i) the allotment to them respectively, credited as fully paid up, of any shares or debentures to which they may be entitled on such capitalisation; or

(ii) the payment up by the Company on behalf of such members by the application of their respective proportions of the reserves or profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares,

(any agreement made under such authority being effective and binding on all such members); and

(f) generally do all acts and things required to give effect to such resolution.

39. DOCUMENTS, INFORMATION AND NOTICES

39.1 **Service of documents etc.**

Documents, information and notices may be sent or supplied by the Company to any person entitled to receive such documents, information or notice in any of the forms permitted by the CA06.

39.2 **Hard copy**

Any document, information or notice is validly sent or supplied by the Company in hard copy if it is handed to the intended recipient or sent or supplied by hand or through the post in a prepaid envelope:

(a) to an address specified for the purpose by the intended recipient;

(b) if the intended recipient is a company, to its registered office;

(c) to the address shown in the Company's register of members;

(d) to any address to which any provision of the CA06 authorises it to be sent or supplied;

(e) if the Company is unable to obtain an address falling within paragraphs (a) to (d), to the last address known to the Company of the intended recipient

39.3 **Electronic form**

Any document, information or notice is validly sent or supplied by the Company in electronic form:

(a) to a person if that person has agreed (generally or specifically) that the document, information or notice may be sent or supplied in that form and has not revoked that agreement; or

(b) to a company that is deemed to have so agreed by the CA06.

39.4 **Electronic means**

Any document, information or notice is validly sent or supplied by the Company by electronic means if it is sent or supplied:

(a) to an address specified for the purpose by the intended recipient (generally or specifically); or

(b) where the intended recipient is a company, to an address deemed by the CA06 to have been so specified.

39.5 **Website**

Any document, information or notice is validly sent or supplied by the Company to a person by being made available on a website if:

(a) the person has agreed (generally or specifically) that the document, information or notice may be sent or supplied to him in that manner, or he is taken to have so agreed under Schedule 5 CA06, and in either case he has not revoked that agreement;

(b) the Company has notified the intended recipient of

(i) the presence of the document, information or notice on the website;

(ii) the address of the website;

(iii) the place on the website where it may be accessed;

(iv) how to access the document. information or notice; and

(v) any other information prescribed by the Statutes including, when the document, information or notice is a notice of meeting, that fact, the place, date and time of the meeting and whether the meeting is an annual general meeting; and

(c) the document. information or notice is available on the website throughout the period specified by any applicable provision of the CA06 or, if no such period is specified, the period of 28 days starting on the date on which the notification referred to in Article 39.5(b) is sent to the relevant person.

39.6 **Any other means**

Any document, information or notice that is sent or supplied otherwise than in hard copy or electronic form or by means of a website is validly sent or supplied if it is sent or supplied in a form or manner that has been agreed by the intended recipient.

39.7 **Joint holders**

In respect of joint holdings all documents, notices and information shall be sent or supplied to the joint holder whose name stands first in the Register in respect of such joint holding, and notice so sent or supplied shall be sufficient notice to all the joint holders A joint holder whose name stands first in the Register but who has no specified or registered address in the United Kingdom for the service of notices shall be disregarded for this purpose except to the extent that the Company intends to send or supply a notice by electronic means and the joint holder whose name stands first in the Register has agreed (generally or specifically) to the sending or supply of that document, information or notice by electronic means and has not revoked that agreement and he has notified the Company of an address for that purpose Anything to be agreed or specified in respect of a joint holding may be agreed or specified by the joint holder whose name stands first in the Register. Paragraphs 16(2) and 16(3), Schedule 5 CA06 shall not apply.

39.8 **Members resident abroad**

A member who (having no registered address within the United Kingdom) has not supplied to the Company an address within the United Kingdom for the service of notices shall not be entitled to receive any document, information or notice from the

Company except to the extent that the Directors decide to send a document, information or a notice to that member by electronic means and that member has consented (or is deemed to have consented) to the sending of that document, information or notice by electronic means and he has, where necessary, notified the Company of an address for that purpose.

39.9 **Presence at meeting evidence in itself of receipt of notice**

A member present either in person or by proxy, or in the case of a corporate member by a duly authorised representative, at any meeting of the Company or of the holders of any class of shares shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

39.10 **Notice etc. given by advertisement in certain circumstances**

Unless the Statutes require a notice, document or information to be sent or supplied in a different way, any notice, information or document shall be sufficiently sent or supplied if published by advertisement inserted once in at least one national newspaper published in the United Kingdom.

39.11 **When notice, document etc. deemed served**

(a) Where a document, information or a notice is sent by post, it shall be deemed to have been received by the intended recipient 48 hours after it was posted. In proving such service, it shall be sufficient to prove that the letter containing the notice or document was properly addressed, prepaid and posted.

(b) A notice given by advertisement shall be deemed to have been given or served on the day on which the advertisement appears.

(c) Where a document, information or notice is sent or supplied by electronic means, it shall be deemed to have been received by the intended recipient on the day on which the document information or notice was sent or supplied by or on behalf of the Company. In proving such service, it shall be sufficient to prove that the document, information or notice was properly addressed.

(d) Where a document, information or notice is sent or supplied by means of a website, it is deemed to have been received by the recipient when the material was first made available on the website or, if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

(e) In calculating a period of hours for the purposes of this article, it is immaterial whether a day is a working day (as defined in the Companies Act 2006) or not.

(f) Where a document, information or a notice to be given or sent by electronic means has failed to be transmitted after three attempts, then that notice or other document shall nevertheless be deemed to have been sent for the purposes of paragraph (c) and, without prejudice to Article 40.13, that failure shall not invalidate any meeting or other proceeding to which the notice or document relates.

39.12 **Manner of giving notice of general meetings**

Notice of every general meeting shall, subject to the provisions of these Articles, be given in any manner authorised in these Articles to:

(a) every member entitled to notice under Articles 39.1, 39.7 and 39.8;

(b) all persons entitled to a share in consequence of death or bankruptcy of a member, if the Company has been notified in accordance with Article 39.14;

(c) the Auditors for the time being of the Company; and

(d) the Directors and alternate Directors of the Company.

No other person shall be entitled to receive notices of general meetings.

39.13 **Omission or non-receipt of document etc.**

Without prejudice to Article 18.3(Omission or non-receipt of notice of general meeting or resolution) or Article 22.7(Accidental omission to send proxy), the accidental failure to send any document, notice or information to or the non-receipt of any document, notice or information by any person entitled to any document, notice or information relating to any meeting or other proceeding shall not invalidate the relevant meeting or other proceeding.

39.14 **Service of document etc. on person entitled by transmission**

A person entitled to a share in consequence of the death or bankruptcy of a member upon supplying to the Company such evidence as the Directors may reasonably require to show his title to the share, and upon supplying also an address within the United Kingdom for the sending or supply of documents, notices or information (or, in relation to any document, notice or information which that person agrees (generally or specifically) to receive and which the Company intends to send or supply using electronic means, an address for that purpose), shall be entitled to have sent or supplied to him at such address any document, notice or information to which the member (but for his death or bankruptcy) would have been entitled, and that sending or supply shall for all purposes be deemed a sufficient sending or supply of that document, notice or information on all persons interested (whether jointly with or as claiming through or under him) in the share. Except as already provided, any document, information or notice sent by post to, left at or sent or supplied using electronic means to the address of any member in pursuance of these Articles shall, even if the member is then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly sent or supplied in respect of any share registered in the name of such member as sole or first-named joint holder.

39.15 **Notice when post not available**

If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company desires to but is unable effectively to convene a general meeting by notices sent through the post then, despite the availability of any other method of sending or supplying notices under Article 39.3, 39.4, 39.5 or 39.6, a

general meeting may be convened by a notice advertised on the same date in at least one national newspaper published in the United Kingdom and such notice shall be deemed to have been duly sent or supplied to all members entitled to it to whom the Company would otherwise have sent the relevant notice by post at noon on the day on which the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post to all members to whom it would otherwise have sent the original notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

39.16 **Power to stop sending documents etc. to untraced shareholders**

If three separate documents, notices or information have been sent on consecutive occasions through the post to any member at any address specified in Article 39.2, whether the documents, notices or information are duplicates of ones originally sent using electronic means that failed to be transmitted electronically or ones that were originally sent by post, and have been returned undelivered, such member shall not after that be entitled to receive documents, notices or other information from the Company until he shall have communicated with the Company and supplied in writing to the Office a new address as specified in Article 39.2 or, in so far as the Company intends to send or supply any document, notice or information using electronic means and the member has agreed (generally or specifically) to the sending or supply of that document, notice or information by electronic means, an address for that purpose.

39.17 **Reference to documents being served etc.**

The provisions of Article 39 apply to any notice, document or information to be sent or supplied under these Articles whether the Articles require the notice, document or information to be "sent" or "supplied" or any other word such as "given", "delivered" or "served".

40. WINDING UP

40.1 **Distribution of assets otherwise than in cash on a winding up**

(a) Save as otherwise provided in these Articles and subject to the rights attached to any shares issued on any special terms and conditions, on return of assets on a winding up or otherwise the surplus assets of the Company after discharge of its liabilities shall belong to and be distributed amongst the holders of Ordinary Shares in proportion to the number of such shares held by them respectively after deducting in respect of any share not fully paid up the amount remaining unpaid thereon (whether or not then payable).

(b) If the Company is wound up (whether the liquidation is voluntary, under supervision or by the Court), the liquidator may, with the authority of a special resolution and any other sanction required by the Statutes, divide among the members (excluding the Company itself to the extent that it is a member by virtue only of its holding any shares as treasury shares) in specie or in kind the whole or any part of the assets of the Company whether or not the assets shall consist of property of one kind or shall consist of properties of different kinds,

and may for such purpose set such value as he deems fair upon any one or more class or classes of property and may determine how such 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 authority determines, and the liquidation of the Company may be closed and the Company dissolved, but so that no members shall be compelled to accept any shares or other property in respect of which there is a liability.

40.2 **Distribution of shares or other consideration on a transfer or sale**

A special resolution sanctioning a transfer or sale to another company duly passed pursuant to section 110 Insolvency Act 1986 may authorise the distribution of any shares or other consideration receivable by the liquidator among the members (whether or not in accordance with the existing rights of members) and any such distribution shall be binding on all members subject to the right of dissent and consequential rights conferred by section 111 Insolvency Act 1986.

41. INDEMNITY FOR DIRECTORS AND OFFICERS

41.1 Subject always to the provisions of the Statutes, and without prejudice to any protection from liability which may otherwise apply, the Company may, at its discretion and subject to any policies adopted by the Directors from time to time, indemnify any Director or other officer of the Company or of an associated company (as defined in Section 256 of the 2006 Act) out of the assets of the Company against all costs, charges, losses, expenses and liabilities which he may sustain or incur in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or in relation to the actual or purported execution of the duties in his office or the exercise or purported exercise of his powers or otherwise in relation thereto, including any liability incurred by him in defending any actual or threatened criminal, regulatory or civil proceedings, provided that no such indemnity shall be provided in respect of any liability incurred:

(a) by a Director:

(i) to the Company or any associated company of the Company;

(ii) to pay a fine imposed in any criminal proceedings or a penalty imposed by a regulatory authority for non-compliance with any requirement of a regulatory nature (however arising);

(iii) in defending any criminal proceedings in which he is convicted;

(iv) in defending any civil proceedings brought by the Company, or an associated company of the Company, in which judgment is given against him; or

(v) in connection with any application for relief under the Statutes in which the court refuses to grant him relief; or

(b) by an auditor in defending any proceedings (whether civil or criminal) in which judgment is given against him or he is convicted.

41.2 The Company may at its discretion provide a Director or other officer with funds, or otherwise arrange, to meet expenditure incurred or to be incurred by him or to enable him to avoid incurring such expenditure in defending any criminal or civil proceedings or defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority or in connection with any application for relief under the Statues arising in relation to the Company or an associated company by virtue of the actual or purported execution of the duties of his office or the exercise or purported exercise of his powers or otherwise in relation thereto, provided that such funds may only be made available in accordance with the provisions of the Statutes, including on the terms that such funds shall be repaid by the Director or other officer to the Company in the circumstances required by the Statutes, where relevant, or in any other circumstances the Company may prescribe, or where the Company otherwise reserves the right to require repayment, at any time, and the Company at its discretion exercises such right.

41.3 Articles 41.1 and 41.2 shall permit the Company to give such indemnities and to provide such funding to any persons who were formerly a Director or other officer of the Company where the proceedings brought against him relate to any act or omission alleged to have been committed or to have occurred at a time during which he held such office.

41.4 Without prejudice to the provisions of Articles 41.1 to 41.3, the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or employees of the Company, or of any other company in which the Company or any of the predecessors of the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company or subsidiary undertaking are interested, including, (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund. For the purposes of this Article "**subsidiary undertaking**" shall have the meaning assigned to it in Section 1162 CA06.

NUCANA

Computershare

All correspondence to:
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Shareholder Helpline: 0370 703 6045
You can check your holding at
www.investorcentre.co.uk

MR F SAMPLE
MR G SAMPLE
MR H SAMPLE
MR I SAMPLE
MR J SAMPLE
THE PAVILIONS
BRIDGWATER ROAD
BRISTOL
BS99 2GE

200000

Shareholder Reference Number
C2222222222 M A L

ISIN	GB0123456789
Certificate Class	ORD
Broker Code	250
Location Code	C

Share Certificate - Ordinary Shares of £0.04

NUCANA

(A company incorporated under the Companies Act 2006 in England and Wales with registered number 03308778.)

[ ]

Number of Shares

Issued 27 September 2002

This is to certify that

MR F SAMPLE
MR G SAMPLE
MR H SAMPLE
MR I SAMPLE
MR J SAMPLE

is/are the Registered Holder(s) of one hundred and eighty one thousand, two hundred and thirty four Ordinary Shares of £0.04, fully paid, in NuCana plc subject to the Articles of Association of the Company.

Given under the signatures of two Directors.

Director Director

Certificate Class ORD

Certificate No. 00032472

This certificate must be surrendered before any transfer of the whole or part of the shares herein mentioned can be registered. Registrar and Transfer Office: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, Shareholder Helpline: 0370 703 6045. **You can check your holding at: www.investorcentre.co.uk**

SG161

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Change of Address

Please check that your address details printed overleaf are correct. If you need to make any alterations or you are planning to move, you can let us know by registering with Investor Centre at www.investorcentre.co.uk. Once registered you can select the "Change of Address" option to amend your address details. Alternatively you can complete and sign the form below.

Kindly Note: This form is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed hereon. This personalised form is not transferable between different (i) account holders; (ii) classes of security; or (iii) uniquely designated accounts. The Company and Computershare Investor Services PLC accept no liability for any instruction that does not comply with these conditions.

House Number

Post Code

Street/Road Name
(BLOCK CAPITALS)

Town/City
(BLOCK CAPITALS)

County
(BLOCK CAPITALS)

H290

C2222222222
NUU

Please Sign

In the case of joint holders ALL must sign. In the case of a corporation this form should be signed by two authorised signatories (e.g. Director & Company Secretary) stating their capacity. Alternatively, this form can be signed by a director of the company in the presence of a witness who attests the signature or under its common seal.

Date

DD / MM / YY

Signature (1)

Signature (2)

Signature (3)

Signature (4)

Reference No.	Transfer No.	Certificate No.	Number of Shares
C2222222222	GDT0077492	00032472 LSTSC	**181234**
	DUPLICATE		

Computershare Investor Services PLC is Registered in England & Wales, No 3498808, Registered Office, The Pavilions, Bridgwater Road, Bristol BS13 8AE.
Computershare Investor Services PLC is authorised and regulated by the Financial Conduct Authority

Exhibit 4.2

EXECUTION

DEPOSIT AGREEMENT

---

by and among

NUCANA PLC

and

CITIBANK, N.A.,
as Depositary,

and

ALL HOLDERS AND BENEFICIAL OWNERS OF
AMERICAN DEPOSITARY SHARES
ISSUED HEREUNDER

Dated as of [DATE], 2017

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DEPOSIT AGREEMENT

DEPOSIT AGREEMENT, dated as of [DATE], 2017, by and among (i) NuCana plc, a public limited company incorporated under the laws of England and Wales and its successors (the "Company"), (ii) CITIBANK, N.A., a national banking association organized under the laws of the United States of America ("Citibank") acting in its capacity as depositary, and any successor depositary hereunder (Citibank in such capacity, the "Depositary"), and (iii) all Holders and Beneficial Owners of American Depositary Shares issued hereunder (all such capitalized terms as hereinafter defined).

W I T N E S S E T H T H A T:

WHEREAS, the Company desires to establish with the Depositary an ADR facility to provide for the deposit of the Shares (as hereinafter defined) and the creation of American Depositary Shares representing the Shares so deposited and for the execution and delivery of American Depositary Receipts (as hereinafter defined) evidencing such American Depositary Shares; and

WHEREAS, the Depositary is willing to act as the Depositary for such ADR facility upon the terms set forth in the Deposit Agreement (as hereinafter defined); and

WHEREAS, any American Depositary Receipts issued pursuant to the terms of the Deposit Agreement are to be substantially in the form of Exhibit A attached hereto, with appropriate insertions, modifications and omissions, as hereinafter provided in the Deposit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

All capitalized terms used, but not otherwise defined, herein shall have the meanings set forth below, unless otherwise clearly indicated:

Section 1.1 **"ADS Record Date"** shall have the meaning given to such term in Section 4.9.

Section 1.2 **"Affiliate"** shall have the meaning assigned to such term by the Commission (as hereinafter defined) under Regulation C promulgated under the Securities Act (as hereinafter defined), or under any successor regulation thereto.

Section 1.3 **"American Depositary Receipt(s)", "ADR(s)" and "Receipt(s)"** shall mean the certificate(s) issued by the Depositary to evidence the American Depositary Shares issued under the terms of the Deposit Agreement in the form of Certificated ADS(s) (as hereinafter defined), as such ADRs may be amended from time to time in accordance with the provisions of the Deposit Agreement. An ADR may evidence any number of ADSs and may, in the case of ADSs held through a central depository such as DTC, be in the form of a "Balance Certificate."

Section 1.4 **"American Depositary Share(s)" and "ADS(s)"** shall mean the rights and interests in the Deposited Property (as hereinafter defined) granted to the Holders and Beneficial Owners pursuant to the terms and conditions of the Deposit Agreement and, if issued as Certificated ADS(s) (as hereinafter defined), the ADR(s) issued to evidence such ADSs. ADS(s) may be issued under the terms of the Deposit Agreement in the form of (a) Certificated ADS(s) (as hereinafter defined), in which case the ADS(s) are evidenced by ADR(s), or (b) Uncertificated ADS(s) (as hereinafter defined), in which case the ADS(s) are not evidenced by ADR(s) but are reflected on the direct registration system maintained by the Depositary for such purposes under the terms of Section 2.13. Unless otherwise specified in the Deposit Agreement or in any ADR, or unless the context otherwise requires, any reference to ADS(s) shall include Certificated ADS(s) and Uncertificated ADS(s), individually or collectively, as the context may require. Each ADS shall represent the right to receive, and to exercise the beneficial ownership interests in, the number of Shares specified in the form of ADR attached hereto as Exhibit A (as amended from time to time) that are on deposit with the Depositary and/or the Custodian, subject, in each case, to the terms and conditions of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS), until there shall occur a distribution upon Deposited Securities referred to in Section 4.2 or a change in Deposited Securities referred to in Section 4.11 with respect to which additional ADSs are not issued, and thereafter each ADS shall represent the right to receive, and to exercise the beneficial ownership interests in, the applicable Deposited Property on deposit with the Depositary and the Custodian determined in accordance with the terms of such Sections, subject, in each case, to the terms and conditions of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS). In addition, the ADS(s)-to-Share(s) ratio is subject to amendment as provided in Articles IV and VI of the Deposit Agreement (which may give rise to Depositary fees).

Section 1.5 **"Applicant"** shall have the meaning given to such term in Section 5.10.

Section 1.6 **"Articles of Association"** shall mean the Articles of Association of the Company, as amended and restated from time to time.

Section 1.7 **"Beneficial Owner"** shall mean, as to any ADS, any person or entity having a beneficial interest deriving from the ownership of such ADS. Notwithstanding anything else contained in the Deposit Agreement, any ADR(s) or any other instruments or agreements relating to the ADSs and the corresponding Deposited Property, the Depositary, the Custodian and their respective nominees are intended to be, and shall at all times during the term of the Deposit Agreement be, the record holders only of the Deposited Property represented by the ADSs for the benefit of the Holders and Beneficial Owners of the corresponding ADSs. The Depositary, on its own behalf and on behalf of the Custodian and their respective nominees, disclaims any beneficial ownership interest in the Deposited Property held on behalf of the Holders and Beneficial Owners of ADSs. The beneficial ownership interests in the Deposited Property are intended to be, and shall at all times during the term of the Deposit Agreement continue to be, vested in the Beneficial Owners of the ADSs representing the Deposited Property. The beneficial ownership interests in the Deposited Property shall, unless otherwise agreed by the Depositary, be exercisable by the Beneficial Owners of the ADSs only through the Holders of such ADSs, by the

Holders of the ADSs (on behalf of the applicable Beneficial Owners) only through the Depositary, and by the Depositary (on behalf of the Holders and Beneficial Owners of the corresponding ADSs) directly, or indirectly through the Custodian or their respective nominees, in each case upon the terms of the Deposit Agreement and, if applicable, the terms of the ADR(s) evidencing the ADSs. A Beneficial Owner of ADSs may or may not be the Holder of such ADSs. A Beneficial Owner shall be able to exercise any right or receive any benefit hereunder solely through the person who is the Holder of the ADSs owned by such Beneficial Owner. Unless otherwise identified to the Depositary, a Holder shall be deemed to be the Beneficial Owner of all the ADSs registered in his/her/its name. The manner in which a Beneficial Owner holds ADSs (*e.g.*, in a brokerage account vs. as registered holder) may affect the rights and obligations of, the manner in which, and the extent to which, services are made available to, Beneficial Owners pursuant to the terms of the Deposit Agreement. With respect to the foregoing sentence, neither the Depositary nor the Company shall bear any responsibility for any Beneficial Owner's loss, liability, tax, charge or expense.

Section 1.8 **"Certificated ADS(s)"** shall have the meaning set forth in Section 2.13.

Section 1.9 **"Citibank"** shall mean Citibank, N.A., a national banking association organized under the laws of the United States of America, and its successors.

Section 1.10 **"Commission"** shall mean the Securities and Exchange Commission of the United States or any successor governmental agency thereto in the United States.

Section 1.11 **"Company"** shall mean NuCana plc, a public limited company incorporated under the laws of England and Wales, and its successors.

Section 1.12 **"CREST"** shall mean the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK & Ireland Limited in accordance with the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended from time to time, or any successor thereto.

Section 1.13 **"Custodian"** shall mean (i) as of the date hereof, Citibank N.A., London Branch, having its principal office at 25 Canada Square, Canary Wharf, London, E14 5LB, United Kingdom, as the custodian of Deposited Property for the purposes of the Deposit Agreement, (ii) Citibank, N.A., acting as custodian of Deposited Property pursuant to the Deposit Agreement, and (iii) any other entity that may be appointed by the Depositary pursuant to the terms of Section 5.5 as successor, substitute or additional custodian hereunder. The term "Custodian" shall mean any Custodian individually or all Custodians collectively, as the context requires.

Section 1.14 **"Deliver" and "Delivery"** shall mean (x) *when used in respect of Shares and other Deposited Securities*, either (i) the physical delivery of the certificate(s) representing such securities, or (ii) the book-entry transfer and recordation of such securities on the books of the Share Registrar (as hereinafter defined) or in the book-entry settlement of CREST, and (y) *when used in respect of ADSs*, either (i) the physical delivery of ADR(s) evidencing the ADSs, or (ii) the book-entry transfer and recordation of ADSs on the books of the Depositary or any book-entry settlement system in which the ADSs are settlement-eligible.

Section 1.15 **"Deposit Agreement"** shall mean this Deposit Agreement and all exhibits hereto, as the same may from time to time be amended and supplemented from time to time in accordance with the terms of the Deposit Agreement.

Section 1.16 **"Depositary"** shall mean Citibank, N.A., a national banking association organized under the laws of the United States, in its capacity as depositary under the terms of the Deposit Agreement, and any successor depositary hereunder.

Section 1.17 **"Deposited Property"** shall mean the Deposited Securities and any cash and other property held on deposit by the Depositary and the Custodian in respect of the ADSs under the terms of the Deposit Agreement, subject, in the case of cash, to the provisions of Section 4.8. All Deposited Property shall be held by the Custodian, the Depositary and their respective nominees for the benefit of the Holders and Beneficial Owners of the ADSs representing the Deposited Property. The Deposited Property is not intended to, and shall not, constitute proprietary assets of the Depositary, the Custodian or their nominees. Beneficial ownership in the Deposited Property is intended to be, and shall at all times during the term of the Deposit Agreement continue to be, vested in the Beneficial Owners of the ADSs representing the Deposited Property. Notwithstanding the foregoing, the collateral delivered in connection with Pre-Release Transactions described in Section 5.10 shall not constitute Deposited Property.

Section 1.18 **"Deposited Securities"** shall mean the Shares and any other securities held on deposit by the Custodian from time to time in respect of the ADSs under the Deposit Agreement and constituting Deposited Property.

Section 1.19 **"Dollars" and "$"** shall refer to the lawful currency of the United States.

Section 1.20 **"DTC"** shall mean The Depository Trust Company, a national clearinghouse and the central book-entry settlement system for securities traded in the United States and, as such, the custodian for the securities of DTC Participants (as hereinafter defined) maintained in DTC, and any successor thereto.

Section 1.21 **"DTC Participant"** shall mean any financial institution (or any nominee of such institution) having one or more participant accounts with DTC for receiving, holding and delivering the securities and cash held in DTC. A DTC Participant may or may not be a Beneficial Owner. If a DTC Participant is not the Beneficial Owner of the ADSs credited to its account at DTC, or of the ADSs in respect of which the DTC Participant is otherwise acting, such DTC Participant shall be deemed, for all purposes hereunder, to have all requisite authority to act on behalf of the Beneficial Owner(s) of the ADSs credited to its account at DTC or in respect of which the DTC Participant is so acting. A DTC Participant, upon acceptance in any one of its DTC accounts of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement, shall be deemed for all purposes to be a party to, and bound by, the terms of the Deposit Agreement and the applicable ADR(s) to the same extent as, and as if the DTC Participant were, the Holder of such ADSs.

Section 1.22 **"Exchange Act"** shall mean the United States Securities Exchange Act of 1934, as amended from time to time.

Section 1.23 **"Foreign Currency"** shall mean any currency other than Dollars.

Section 1.24 **"Full Entitlement ADR(s)", "Full Entitlement ADS(s)" and "Full Entitlement Share(s)"** shall have the respective meanings set forth in Section 2.12.

Section 1.25 **"Holder(s)"** shall mean the person(s) in whose name the ADSs are registered on the books of the Depositary (or the Registrar, if any) maintained for such purpose. A Holder may or may not be a Beneficial Owner. If a Holder is not the Beneficial Owner of the ADS(s) registered in its name, such person shall be deemed, for all purposes hereunder, to have all requisite authority to act on behalf of the Beneficial Owners of the ADSs registered in its name. The manner in which a Holder holds ADSs (e.g., in certificated vs. uncertificated form) may affect the rights and obligations of, and the manner in which the services are made available to, Holders pursuant to the terms of the Deposit Agreement. With respect to the foregoing sentence, neither the Depositary nor the Company shall bear any responsibility for any Holder's loss, liability, tax, charge or expense.

Section 1.26 **"Partial Entitlement ADR(s)", "Partial Entitlement ADS(s)" and "Partial Entitlement Share(s)"** shall have the respective meanings set forth in Section 2.12.

Section 1.27 **"Pounds", "Pence" and "£"** shall refer to the lawful currency of England.

Section 1.28 **"Pre-Release Transaction"** shall have the meaning set forth in Section 5.10.

Section 1.29 **"Principal Office"** shall mean, when used with respect to the Depositary, the principal office of the Depositary at which at any particular time its depositary receipts business shall be administered, which, at the date of the Deposit Agreement, is located at 388 Greenwich Street, New York, New York 10013, U.S.A.

Section 1.30 **"Registrar"** shall mean the Depositary or any bank or trust company having an office in the Borough of Manhattan, The City of New York, which shall be appointed by the Depositary to register issuances, transfers and cancellations of ADSs as herein provided, and shall include any co-registrar appointed by the Depositary for such purposes. Registrars (other than the Depositary) may be removed and substitutes appointed by the Depositary. Each Registrar (other than the Depositary) appointed pursuant to the Deposit Agreement shall be required to give notice in writing to the Depositary accepting such appointment and agreeing to be bound by the applicable terms of the Deposit Agreement.

Section 1.31 **"Restricted Securities"** shall mean Shares, Deposited Securities or ADSs which (i) have been acquired directly or indirectly from the Company or any of its Affiliates in a transaction or chain of transactions not involving any public offering and are subject to resale limitations under the Securities Act or the rules issued thereunder, or (ii) are held by an executive officer or director (or persons performing similar functions) or other Affiliate of the Company, or (iii) are subject to other restrictions on sale or deposit under the laws of the United States, England and Wales, or under a shareholder agreement or the Articles of Association of the Company or under the regulations of an applicable securities exchange unless, in each case, such Shares, Deposited Securities or ADSs are being transferred or sold to persons other than an Affiliate of the Company in a transaction (a) covered by an effective resale registration statement, or (b) exempt from the registration requirements of the Securities Act (as hereinafter defined), and the Shares, Deposited Securities or ADSs are not, when held by such person(s), Restricted Securities.

Section 1.32 **"Restricted ADR(s)", "Restricted ADS(s)" and "Restricted Shares"** shall have the respective meanings set forth in Section 2.14.

Section 1.33 **"Securities Act"** shall mean the United States Securities Act of 1933, as amended from time to time.

Section 1.34 **"Share Registrar"** shall mean Computershare Investor Services plc, a company registered in England and Wales under company number 3498808 and whose registered office is at The Pavilions, Bridgewater Road, Bristol BS13 8AE or any other institution organized under the laws of England and Wales appointed by the Company to carry out the duties of registrar for the Shares, and any successor thereto.

Section 1.35 **"Shares"** shall mean the Company's ordinary shares, nominal value £0.01 per share, validly issued and outstanding and fully paid and may, if the Depositary so agrees after consultation with the Company, include evidence of the right to receive Shares; provided that in no event shall Shares include evidence of the right to receive Shares with respect to which the full purchase price has not been paid or Shares as to which preemptive rights have theretofore not been validly waived, disapplied or exercised; provided further, however, that, if there shall occur any change in nominal value, split-up, consolidation, reclassification, exchange, conversion or any other event described in Section 4.11 in respect of the Shares of the Company, the term "Shares" shall thereafter, to the maximum extent permitted by law, represent the successor securities resulting from such event.

Section 1.36 **"Uncertificated ADS(s)"** shall have the meaning set forth in Section 2.13.

Section 1.37 **"United States" and "U.S."** shall have the meaning assigned to it in Regulation S as promulgated by the Commission under the Securities Act.

ARTICLE II

APPOINTMENT OF DEPOSITARY; FORM OF RECEIPTS; DEPOSIT OF SHARES; EXECUTION AND DELIVERY, TRANSFER AND SURRENDER OF RECEIPTS

Section 2.1 **Appointment of Depositary.** The Company hereby appoints the Depositary as depositary for the Deposited Property and hereby authorizes and directs the Depositary to act in accordance with the terms and conditions set forth in the Deposit Agreement and the applicable ADRs. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and the applicable ADR(s), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof.

Section 2.2 Form and Transferability of ADSs.

(a) Form. Certificated ADSs shall be evidenced by definitive ADRs which shall be engraved, printed, lithographed or produced in such other manner as may be agreed upon by the Company and the Depositary. ADRs may be issued under the Deposit Agreement in denominations of any whole number of ADSs. The ADRs shall be substantially in the form set forth in Exhibit A to the Deposit Agreement, with any appropriate insertions, modifications and omissions, in each case as otherwise contemplated in the Deposit Agreement or required by law. ADRs shall be (i) dated, (ii) signed by the manual or facsimile signature of a duly authorized signatory of the Depositary, (iii) countersigned by the manual or facsimile signature of a duly authorized signatory of the Registrar, and (iv) registered in the books maintained by the Registrar for the registration of issuances and transfers of ADSs. No ADR and no Certificated ADS evidenced thereby shall be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company, unless such ADR shall have been so dated, signed, countersigned and registered. ADRs bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly-authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the delivery of such ADR by the Depositary. The ADRs shall bear a CUSIP number that is different from any CUSIP number that was, is or may be assigned to any depositary receipts previously or subsequently issued pursuant to any other arrangement between the Depositary (or any other depositary) and the Company and which are not ADRs outstanding hereunder.

(b) Legends. The ADRs may be endorsed with, or have incorporated in the text thereof, such legends or recitals not inconsistent with the provisions of the Deposit Agreement as may be (i) necessary to enable the Depositary and the Company to perform their respective obligations hereunder, (ii) required to comply with any applicable laws or regulations, or with the rules and regulations of any securities exchange or market upon which ADSs may be traded, listed or quoted, or to conform with any usage with respect thereto, (iii) necessary to indicate any special limitations or restrictions to which any particular ADRs or ADSs are subject by reason of the date of issuance of the Deposited Securities or otherwise, or (iv) required by any book-entry system in which the ADSs are held. Holders and Beneficial Owners shall be deemed, for all purposes, to have notice of, and to be bound by, the terms and conditions of the legends set forth, in the case of Holders, on the ADR registered in the name of the applicable Holders or, in the case of Beneficial Owners, on the ADR representing the ADSs owned by such Beneficial Owners.

(c) Title. Subject to the limitations contained herein and in the ADR, title to an ADR (and to each Certificated ADS evidenced thereby) shall be transferable upon the same terms as a certificated security under the laws of the State of New York, provided that, in the case of Certificated ADSs, such ADR has been properly endorsed or is accompanied by proper instruments of transfer. Notwithstanding any notice to the contrary, the Depositary and the Company may deem and treat the Holder of an ADS (that is, the person in whose name an ADS is registered on the books of the Depositary) as the absolute owner thereof for all purposes.

Neither the Depositary nor the Company shall have any obligation nor be subject to any liability under the Deposit Agreement or any ADR to any holder or any Beneficial Owner unless, in the case of a holder of ADSs, such holder is the Holder registered on the books of the Depositary or, in the case of a Beneficial Owner, such Beneficial Owner, or the Beneficial Owner's representative, is the Holder registered on the books of the Depositary.

(d) Book-Entry Systems. The Depositary shall make arrangements for the acceptance of the ADSs into DTC. All ADSs held through DTC will be registered in the name of the nominee for DTC (currently "Cede & Co."). As such, the nominee for DTC will be the only "Holder" of all ADSs held through DTC. Unless issued by the Depositary as Uncertificated ADSs, the ADSs registered in the name of Cede & Co. will be evidenced by one or more ADR(s) in the form of a "Balance Certificate," which will provide that it represents the aggregate number of ADSs from time to time indicated in the records of the Depositary as being issued hereunder and that the aggregate number of ADSs represented thereby may from time to time be increased or decreased by making adjustments on such records of the Depositary and of DTC or its nominee as hereinafter provided. Citibank, N.A. (or such other entity as is appointed by DTC or its nominee) may hold the "Balance Certificate" as custodian for DTC. Each Beneficial Owner of ADSs held through DTC must rely upon the procedures of DTC and the DTC Participants to exercise or be entitled to any rights attributable to such ADSs. The DTC Participants shall for all purposes be deemed to have all requisite power and authority to act on behalf of the Beneficial Owners of the ADSs held in the DTC Participants' respective accounts in DTC and the Depositary shall for all purposes be authorized to rely upon any instructions and information given to it by DTC Participants. So long as ADSs are held through DTC or unless otherwise required by law, ownership of beneficial interests in the ADSs registered in the name of the nominee for DTC will be shown on, and transfers of such ownership will be effected only through, records maintained by (i) DTC or its nominee (with respect to the interests of DTC Participants), or (ii) DTC Participants or their nominees (with respect to the interests of clients of DTC Participants). Any distributions made, and any notices given, by the Depositary to DTC under the terms of the Deposit Agreement shall (unless otherwise specified by the Depositary) satisfy the Depositary's obligations under the Deposit Agreement to make such distributions, and give such notices, in respect of the ADSs held in DTC (including, for avoidance of doubt, to the DTC Participants holding the ADSs in their DTC accounts and to the Beneficial Owners of such ADSs).

Section 2.3 Deposit of Shares. Subject to the terms and conditions of the Deposit Agreement and applicable law, Shares or evidence of rights to receive Shares (other than Restricted Securities) may be deposited by any person (including the Depositary in its individual capacity but subject, however, in the case of the Company or any Affiliate of the Company, to Section 5.7) at any time, whether or not the transfer books of the Company or the Share Registrar, if any, are closed, by Delivery of the Shares to the Custodian. Every deposit of Shares shall be accompanied by the following: (A) (i) *in the case of Shares represented by certificates issued in registered form*, appropriate instruments of transfer or endorsement, in a form satisfactory to the Custodian, (ii) *in the case of Shares represented by certificates in bearer form*, the requisite coupons and talons pertaining thereto, and (iii) *in the case of Shares delivered by book-entry transfer and recordation*, confirmation of such book-entry transfer and recordation in the books of the Share Registrar or of CREST, as applicable, to the Custodian or that irrevocable instructions have been given to cause such Shares to be so transferred and recorded, (B) such

certifications and payments (including, without limitation, the Depositary's fees and related charges) and evidence of such payments (including, without limitation, stamping or otherwise marking such Shares by way of receipt) as may be required by the Depositary or the Custodian in accordance with the provisions of the Deposit Agreement and applicable law, (C) if the Depositary so requires, a written order directing the Depositary to issue and deliver to, or upon the written order of, the person(s) stated in such order the number of ADSs representing the Shares so deposited, (D) evidence satisfactory to the Depositary (which may be an opinion of counsel) that all necessary approvals have been granted by, or there has been compliance with the rules and regulations of, any applicable governmental agency in England and Wales, and (E) if the Depositary so requires, (i) an agreement, assignment or instrument satisfactory to the Depositary or the Custodian which provides for the prompt transfer by any person in whose name the Shares are or have been recorded to the Custodian of any distribution, or right to subscribe for additional Shares or to receive other property in respect of any such deposited Shares or, in lieu thereof, such indemnity or other agreement as shall be satisfactory to the Depositary or the Custodian and (ii) if the Shares are registered in the name of the person on whose behalf they are presented for deposit, a proxy or proxies entitling the Custodian to exercise voting rights in respect of the Shares for any and all purposes until the Shares so deposited are registered in the name of the Depositary, the Custodian or any nominee.

Without limiting any other provision of the Deposit Agreement, the Depositary shall instruct the Custodian not to, and the Depositary shall not knowingly, accept for deposit (a) any Restricted Securities, except as contemplated by Section 2.14 nor (b) any fractional Shares or fractional Deposited Securities nor (c) a number of Shares or Deposited Securities which upon application of the ADS to Shares ratio would give rise to fractional ADSs. No Shares shall be accepted for deposit unless accompanied by evidence, if any is required by the Depositary, that is reasonably satisfactory to the Depositary or the Custodian that all conditions to such deposit have been satisfied by the person depositing such Shares under the laws and regulations of England and Wales and any necessary approval has been granted by any applicable governmental body in England and Wales, if any. The Depositary may issue ADSs against evidence of rights to receive Shares from the Company, any agent of the Company or any custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares. Such evidence of rights shall consist of written blanket or specific guarantees of ownership of Shares furnished by the Company or any such custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares.

Without limitation of the foregoing, the Depositary shall not knowingly accept for deposit under the Deposit Agreement (A) any Shares or other securities required to be registered under the provisions of the Securities Act, unless (i) a registration statement is in effect as to such Shares or other securities or (ii) the deposit is made upon terms contemplated in Section 2.14, or (B) any Shares or other securities the deposit of which would violate any provisions of the Articles of Association of the Company. For purposes of the foregoing sentence, the Depositary shall be entitled to rely upon representations and warranties made or deemed made pursuant to the Deposit Agreement and shall not be required to make any further investigation. The Depositary will comply with written instructions of the Company (received by the Depositary reasonably in advance) not to accept for deposit hereunder any Shares identified in such instructions at such times and under such circumstances as may reasonably be specified in such instructions in order to facilitate the Company's compliance with the securities laws of the United States.

Section 2.4 **Registration and Safekeeping of Deposited Securities.** The Depositary shall instruct the Custodian upon each Delivery of registered Shares being deposited hereunder with the Custodian (or other Deposited Securities pursuant to Article IV hereof), together with the other documents above specified, to present such Shares, together with the appropriate instrument(s) of transfer or endorsement, duly stamped, to the Share Registrar for transfer and registration of the Shares (as soon as transfer and registration can be accomplished and at the expense of the person for whom the deposit is made) in the name of the Depositary, the Custodian or a nominee of either. Deposited Securities shall be held by the Depositary, or by a Custodian for the account and to the order of the Depositary or a nominee of the Depositary, in each case, on behalf of the Holders and Beneficial Owners, at such place(s) as the Depositary or the Custodian shall determine. Notwithstanding anything else contained in the Deposit Agreement, any ADR(s), or any other instruments or agreements relating to the ADSs and the corresponding Deposited Property, the registration of the Deposited Securities in the name of the Depositary, the Custodian or any of their respective nominees, shall, to the maximum extent permitted by applicable law, vest in the Depositary, the Custodian or the applicable nominee the record ownership in the applicable Deposited Securities with the beneficial ownership rights and interests in such Deposited Securities being at all times vested with the Beneficial Owners of the ADSs representing the Deposited Securities. Notwithstanding the foregoing, the Depositary, the Custodian and the applicable nominee shall at all times be entitled to exercise the beneficial ownership rights in all Deposited Property, in each case only on behalf of the Holders and Beneficial Owners of the ADSs representing the Deposited Property, upon the terms set forth in the Deposit Agreement and, if applicable, the ADR(s) representing the ADSs. The Depositary, the Custodian and their respective nominees shall for all purposes be deemed to have all requisite power and authority to act in respect of Deposited Property on behalf of the Holders and Beneficial Owners of ADSs representing the Deposited Property, and upon making payments to, or acting upon instructions from, or information provided by, the Depositary, the Custodian or their respective nominees all persons shall be authorized to rely upon such power and authority.

Section 2.5 **Issuance of ADSs.** The Depositary has made arrangements with the Custodian for the Custodian to confirm to the Depositary upon receipt of a deposit of Shares (i) that a deposit of Shares has been made pursuant to Section 2.3, (ii) that such Deposited Securities have been recorded in the name of the Depositary, the Custodian or a nominee of either on the shareholders' register maintained by or on behalf of the Company by the Share Registrar on the books of CREST, (iii) that all required documents have been received, and (iv) the person(s) to whom or upon whose order ADSs are deliverable in respect thereof and the number of ADSs to be so delivered. Such notification may be made by letter, cable, telex, SWIFT message or, at the risk and expense of the person making the deposit, by facsimile or other means of electronic transmission. Upon receiving such notice from the Custodian, the Depositary, subject to the terms and conditions of the Deposit Agreement and applicable law, shall issue the ADSs representing the Shares so deposited to or upon the order of the person(s) named in the notice delivered to the Depositary and, if applicable, shall execute and deliver at its Principal Office Receipt(s) registered in the name(s) requested by such person(s) and evidencing the aggregate number of ADSs to which such person(s) are entitled, but, in each case, only upon payment to the Depositary of the charges of the Depositary for accepting a deposit of Shares and

issuing ADSs (as set forth in Section 5.9 and Exhibit B hereto) and all taxes and governmental charges and fees payable in connection with such deposit and the transfer of the Shares and the issuance of the ADS(s). The Depositary shall only issue ADSs in whole numbers and deliver, if applicable, ADR(s) evidencing whole numbers of ADSs. Nothing herein shall prohibit any Pre-Release Transaction upon the terms set forth in the Deposit Agreement.

Section 2.6 Transfer, Combination and Split-up of ADRs.

(a) Transfer. The Registrar shall register the transfer of ADRs (and of the ADSs represented thereby) on the books maintained for such purpose and the Depositary shall (x) cancel such ADRs and execute new ADRs evidencing the same aggregate number of ADSs as those evidenced by the ADRs canceled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the person entitled thereto, if each of the following conditions has been satisfied: (i) the ADRs have been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a transfer thereof, (ii) the surrendered ADRs have been properly endorsed or are accompanied by proper instruments of transfer (including signature guarantees in accordance with standard securities industry practice), (iii) the surrendered ADRs have been duly stamped (if required by the laws of the State of New York or of the United States), and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 and Exhibit B hereto) have been paid, *subject, however, in each case*, to the terms and conditions of the applicable ADRs, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

(b) Combination & Split-Up. The Registrar shall register the split-up or combination of ADRs (and of the ADSs represented thereby) on the books maintained for such purpose and the Depositary shall (x) cancel such ADRs and execute new ADRs for the number of ADSs requested, but in the aggregate not exceeding the number of ADSs evidenced by the ADRs canceled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the Holder thereof, if each of the following conditions has been satisfied: (i) the ADRs have been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a split-up or combination thereof, and (ii) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 and Exhibit B hereto) have been paid, *subject, however, in each case*, to the terms and conditions of the applicable ADRs, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

Section 2.7 Surrender of ADSs and Withdrawal of Deposited Securities. The Holder of ADSs shall be entitled to Delivery (at the Custodian's designated office) of the Deposited Securities at the time represented by the ADSs upon satisfaction of each of the following conditions: (i) the Holder (or a duly-authorized attorney of the Holder) has duly Delivered ADSs to the Depositary at its Principal Office (and if applicable, the ADRs evidencing such ADSs) for the purpose of withdrawal of the Deposited Securities represented thereby, (ii) if applicable and so required by the Depositary, the ADRs Delivered to the Depositary for such purpose have been properly endorsed in blank or are accompanied by proper instruments of

transfer in blank (including signature guarantees in accordance with standard securities industry practice), (iii) if so required by the Depositary, the Holder of the ADSs has executed and delivered to the Depositary a written order directing the Depositary to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of the person(s) designated in such order, and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 and Exhibit B) have been paid, *subject, however, in each case*, to the terms and conditions of the ADRs evidencing the surrendered ADSs, of the Deposit Agreement, of the Company's Articles of Association and of any applicable laws and the rules of CREST, and to any provisions of or governing the Deposited Securities, in each case as in effect at the time thereof.

Upon satisfaction of each of the conditions specified above, the Depositary (i) shall cancel the ADSs Delivered to it (and, if applicable, the ADR(s) evidencing the ADSs so Delivered), (ii) shall direct the Registrar to record the cancellation of the ADSs so Delivered on the books maintained for such purpose, and (iii) shall direct the Custodian to Deliver, or cause the Delivery of, in each case, without unreasonable delay, the Deposited Securities represented by the ADSs so canceled together with any certificate or other document of title for the Deposited Securities, or evidence of the electronic transfer thereof (if available), as the case may be, to or upon the written order of the person(s) designated in the order delivered to the Depositary for such purpose, *subject however, in each case*, to the terms and conditions of the Deposit Agreement, of the ADRs evidencing the ADSs so canceled, of the Articles of Association of the Company, of any applicable laws and of the rules of CREST, and to the terms and conditions of or governing the Deposited Securities, in each case as in effect at the time thereof.

The Depositary shall not accept for surrender ADSs representing less than one (1) Share. In the case of Delivery to it of ADSs representing a number other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) return to the person surrendering such ADSs the number of ADSs representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Share represented by the ADSs so surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes withheld) to the person surrendering the ADSs.

Notwithstanding anything else contained in any ADR or the Deposit Agreement, the Depositary may make delivery at the Principal Office of the Depositary of Deposited Property consisting of (i) any cash dividends or cash distributions, or (ii) any proceeds from the sale of any non-cash distributions, which are at the time held by the Depositary in respect of the Deposited Securities represented by the ADSs surrendered for cancellation and withdrawal. At the request, risk and expense of any Holder so surrendering ADSs, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any Deposited Property (other than Deposited Securities) held by the Custodian in respect of such ADSs to the Depositary for delivery at the Principal Office of the Depositary. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

Section 2.8 Limitations on Execution and Delivery, Transfer, etc. of ADSs; Suspension of Delivery, Transfer, etc.

(a) Additional Requirements. As a condition precedent to the execution and delivery, the registration of issuance, transfer, split-up, combination or surrender, of any ADS, the delivery of any distribution thereon, or the withdrawal of any Deposited Property, the Depositary or the Custodian may require (i) payment from the depositor of Shares or presenter of ADSs or of an ADR of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 and Exhibit B, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1, and (iii) compliance with (A) any laws or governmental regulations relating to the execution and delivery of ADRs or ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations as the Depositary and the Company may establish consistent with the provisions of the representative ADR, if applicable, the Deposit Agreement and applicable law. If satisfaction of any condition precedent referred to above would involve an unlawful payment by the Company under the applicable laws of England and Wales, the Company and the Depositary shall reasonably cooperate to determine if there is a mutually agreeable lawful alternative, provided, that in no event shall the Company be required to make any unlawful payment, provided further, that in no event shall the Depositary be required to effect any transaction until it receives applicable payments with respect thereto, as provided herein.

(b) Additional Limitations. The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the deposit of particular Shares may be refused, or the registration of transfer of ADSs in particular instances may be refused, or the registration of transfers of ADSs generally may be suspended, during any period when the transfer books of the Company, the Depositary, a Registrar or the Share Registrar are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law or regulation, any government or governmental body or commission or any securities exchange on which the ADSs or Shares are listed, or under any provision of the Deposit Agreement or the representative ADR(s), if applicable, or under any provision of, or governing, the Deposited Securities, or because of a meeting of shareholders of the Company or for any other reason, subject, in all cases, to Section 7.8.

(c) Regulatory Restrictions. Notwithstanding any provision of the Deposit Agreement or any ADR(s) to the contrary, Holders are entitled to surrender outstanding ADSs to withdraw the Deposited Securities associated herewith at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the ADSs or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Instruction I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time).

Section 2.9 Lost ADRs, etc. In case any ADR shall be mutilated, destroyed, lost, or stolen, the Depositary shall execute and deliver a new ADR of like tenor at the expense of the Holder (a) *in the case of a mutilated ADR,* in exchange of and substitution for such mutilated ADR upon cancellation thereof, or (b) *in the case of a destroyed, lost or stolen ADR,* in lieu of and in substitution for such destroyed, lost, or stolen ADR, after the Holder thereof (i) has submitted to the Depositary a written request for such exchange and substitution before the Depositary has notice that the ADR has been acquired by a bona fide purchaser, (ii) has provided such security or indemnity (including an indemnity bond) as may be required by the Depositary to hold it and any of its agents harmless, and (iii) has satisfied any other reasonable requirements imposed by the Depositary, including, without limitation, evidence satisfactory to the Depositary of such destruction, loss or theft of such ADR, the authenticity thereof and the Holder's ownership thereof.

Section 2.10 Cancellation and Destruction of Surrendered ADRs; Maintenance of Records. All ADRs surrendered to the Depositary shall be canceled by the Depositary. Canceled ADRs shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable against the Depositary for any purpose. The Depositary is authorized to destroy ADRs so canceled, provided the Depositary maintains a record of all destroyed ADRs. Any ADSs held in book-entry form (*e.g.*, through accounts at DTC) shall be deemed canceled when the Depositary causes the number of ADSs evidenced by the Balance Certificate to be reduced by the number of ADSs surrendered (without the need to physically destroy the Balance Certificate).

Section 2.11 Escheatment. In the event any unclaimed property relating to the ADSs, for any reason, is in the possession of Depositary and has not been claimed by the Holder thereof or cannot be delivered to the Holder thereof through usual channels, the Depositary shall, upon expiration of any applicable statutory period relating to abandoned property laws, escheat such unclaimed property to the relevant authorities in accordance with the laws of each of the relevant States of the United States.

Section 2.12 Partial Entitlement ADSs. In the event any Shares are deposited which (i) entitle the holders thereof to receive a per-share distribution or other entitlement in an amount different from the Shares then on deposit or (ii) are not fully fungible (including, without limitation, as to settlement or trading) with the Shares then on deposit (the Shares then on deposit collectively, "Full Entitlement Shares" and the Shares with different entitlement, "Partial Entitlement Shares"), the Depositary shall (i) cause the Custodian to hold Partial Entitlement Shares separate and distinct from Full Entitlement Shares, and (ii) subject to the terms of the Deposit Agreement, issue ADSs representing Partial Entitlement Shares which are separate and distinct from the ADSs representing Full Entitlement Shares, by means of separate CUSIP numbering and legending (if necessary) and, if applicable, by issuing ADRs evidencing such ADSs with applicable notations thereon ("Partial Entitlement ADSs/ADRs" and "Full Entitlement ADSs/ADRs", respectively). If and when Partial Entitlement Shares become Full Entitlement Shares, the Depositary shall (a) give notice thereof to Holders of Partial Entitlement ADSs and give Holders of Partial Entitlement ADRs the opportunity to exchange such Partial Entitlement ADRs for Full Entitlement ADRs, (b) cause the Custodian to transfer the Partial Entitlement Shares into the account of the Full Entitlement Shares, and (c) take such actions as are necessary to remove the distinctions between (i) the Partial Entitlement ADRs and ADSs, on

the one hand, and (ii) the Full Entitlement ADRs and ADSs on the other. Holders and Beneficial Owners of Partial Entitlement ADSs shall only be entitled to the entitlements of Partial Entitlement Shares. Holders and Beneficial Owners of Full Entitlement ADSs shall be entitled only to the entitlements of Full Entitlement Shares. All provisions and conditions of the Deposit Agreement shall apply to Partial Entitlement ADRs and ADSs to the same extent as Full Entitlement ADRs and ADSs, except as contemplated by this Section 2.12. The Depositary is authorized to take any and all other actions as may be necessary (including, without limitation, making the necessary notations on ADRs) to give effect to the terms of this Section 2.12. The Company agrees to give timely written notice to the Depositary if any Shares issued or to be issued are Partial Entitlement Shares and shall assist the Depositary with the establishment of procedures enabling the identification of Partial Entitlement Shares upon Delivery to the Custodian.

Section 2.13 Certificated/Uncertificated ADSs. Notwithstanding any other provision of the Deposit Agreement, the Depositary may, at any time and from time to time, issue ADSs that are not evidenced by ADRs (such ADSs, the "Uncertificated ADS(s)" and the ADS(s) evidenced by ADR(s), the "Certificated ADS(s)"). When issuing and maintaining Uncertificated ADS(s) under the Deposit Agreement, the Depositary shall at all times be subject to (i) the standards applicable to registrars and transfer agents maintaining direct registration systems for equity securities in New York and issuing uncertificated securities under New York law, and (ii) the terms of New York law applicable to uncertificated equity securities. Uncertificated ADSs shall not be represented by any instruments but shall be evidenced by registration in the books of the Depositary maintained for such purpose. Holders of Uncertificated ADSs, that are not subject to any registered pledges, liens, restrictions or adverse claims of which the Depositary has notice at such time, shall at all times have the right to exchange the Uncertificated ADS(s) for Certificated ADS(s) of the same type and class, subject in each case to (x) applicable laws and any rules and regulations the Depositary may have established in respect of the Uncertificated ADSs, and (y) the continued availability of Certificated ADSs in the U.S. Holders of Certificated ADSs shall, if the Depositary maintains a direct registration system for the ADSs, have the right to exchange the Certificated ADSs for Uncertificated ADSs upon (i) the due surrender of the Certificated ADS(s) to the Depositary for such purpose and (ii) the presentation of a written request to that effect to the Depositary, subject in each case to (a) all liens and restrictions noted on the ADR evidencing the Certificated ADS(s) and all adverse claims of which the Depositary then has notice, (b) the terms of the Deposit Agreement and the rules and regulations that the Depositary may establish for such purposes hereunder, (c) applicable law, and (d) payment of the Depositary fees and expenses applicable to such exchange of Certificated ADS(s) for Uncertificated ADS(s). Uncertificated ADSs shall in all material respects be identical to Certificated ADS(s) of the same type and class, except that (i) no ADR(s) shall be, or shall need to be, issued to evidence Uncertificated ADS(s), (ii) Uncertificated ADS(s) shall, subject to the terms of the Deposit Agreement, be transferable upon the same terms and conditions as uncertificated securities under New York law, (iii) the ownership of Uncertificated ADS(s) shall be recorded on the books of the Depositary maintained for such purpose and evidence of such ownership shall be reflected in periodic statements provided by the Depositary to the Holder(s) in accordance with applicable New York law, (iv) the Depositary may from time to time, upon notice to the Holders of Uncertificated ADSs affected thereby, establish rules and regulations, and amend or supplement existing rules and regulations, as may be deemed reasonably necessary to maintain Uncertificated ADS(s) on

behalf of Holders, provided that (a) such rules and regulations do not conflict with the terms of the Deposit Agreement and applicable law, and (b) the terms of such rules and regulations are readily available to Holders upon request, (v) the Uncertificated ADS(s) shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company unless such Uncertificated ADS(s) is/are registered on the books of the Depositary maintained for such purpose, (vi) the Depositary may, in connection with any deposit of Shares resulting in the issuance of Uncertificated ADSs and with any transfer, pledge, release and cancellation of Uncertificated ADSs, require the prior receipt of such documentation as the Depositary may deem reasonably appropriate, and (vii) upon termination of the Deposit Agreement, the Depositary shall not require Holders of Uncertificated ADSs to affirmatively instruct the Depositary before remitting proceeds from the sale of the Deposited Property represented by such Holders' Uncertificated ADSs under the terms of Section 6.2 of the Deposit Agreement. When issuing ADSs under the terms of the Deposit Agreement, including, without limitation, issuances pursuant to Sections 2.5, 4.2, 4.3, 4.4, 4.5 and 4.11, the Depositary may in its discretion determine to issue Uncertificated ADSs rather than Certificated ADSs, unless otherwise specifically instructed by the applicable Holder to issue Certificated ADSs. All provisions and conditions of the Deposit Agreement shall apply to Uncertificated ADSs to the same extent as to Certificated ADSs, except as contemplated by this Section 2.13. The Depositary is authorized and directed to take any and all actions and establish any and all procedures deemed reasonably necessary to give effect to the terms of this Section 2.13. Any references in the Deposit Agreement or any ADR(s) to the terms "American Depositary Share(s)" or "ADS(s)" shall, unless the context otherwise requires, include Certificated ADS(s) and Uncertificated ADS(s). Except as set forth in this Section 2.13 and except as required by applicable law, the Uncertificated ADSs shall be treated as ADSs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Uncertificated ADSs, any conflict arises between (a) the terms of the Deposit Agreement (other than this Section 2.13) and (b) the terms of this Section 2.13, the terms and conditions set forth in this Section 2.13 shall be controlling and shall govern the rights and obligations of the parties to the Deposit Agreement pertaining to the Uncertificated ADSs.

Section 2.14 Restricted ADSs. The Depositary shall, at the request and expense of the Company, establish procedures enabling the deposit hereunder of Shares that are Restricted Securities in order to enable the holder of such Shares to hold its ownership interests in such Restricted Securities in the form of ADSs issued under the terms hereof (such Shares, "Restricted Shares"). Upon receipt of a written request from the Company to accept Restricted Shares for deposit hereunder, the Depositary agrees to establish procedures permitting the deposit of such Restricted Shares and the issuance of ADSs representing the right to receive, subject to the terms of the Deposit Agreement and the applicable ADR (if issued as a Certificated ADS), such deposited Restricted Shares (such ADSs, the "Restricted ADSs," and the ADRs evidencing such Restricted ADSs, the "Restricted ADRs"). Notwithstanding anything contained in this Section 2.14, the Depositary and the Company may, to the extent not prohibited by law, agree to issue the Restricted ADSs in uncertificated form ("Uncertificated Restricted ADSs") upon such terms and conditions as the Company and the Depositary may deem necessary and appropriate. The Company shall assist the Depositary in the establishment of such procedures and agrees that it shall take all steps necessary and satisfactory to the Depositary to ensure that the establishment of such procedures does not violate the provisions of the Securities Act or any

other applicable laws. The depositors of such Restricted Shares and the Holders of the Restricted ADSs may be required prior to the deposit of such Restricted Shares, the transfer of the Restricted ADRs and Restricted ADSs or the withdrawal of the Restricted Shares represented by Restricted ADSs to provide such written certifications or agreements as the Depositary or the Company may require. The Company shall provide to the Depositary in writing the legend(s) to be affixed to the Restricted ADRs (if the Restricted ADSs are to be issued as Certificated ADSs**)**, or to be included in the statements issued from time to time to Holders of Uncertificated ADSs (if issued as Uncertificated Restricted ADSs), which legends shall (i) be in a form reasonably satisfactory to the Depositary and (ii) contain the specific circumstances under which the Restricted ADSs, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, may be transferred or the Restricted Shares withdrawn. The Restricted ADSs issued upon the deposit of Restricted Shares shall be separately identified on the books of the Depositary and the Restricted Shares so deposited shall, to the extent required by law, be held separate and distinct from the other Deposited Securities held hereunder. The Restricted Shares and the Restricted ADSs shall not be eligible for Pre-Release Transactions. The Restricted ADSs shall not be eligible for inclusion in any book-entry settlement system, including, without limitation, DTC, and shall not in any way be fungible with the ADSs issued under the terms hereof that are not Restricted ADSs. The Restricted ADSs, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, shall be transferable only by the Holder thereof upon delivery to the Depositary of (i) all documentation otherwise contemplated by the Deposit Agreement and (ii) an opinion of counsel satisfactory to the Depositary setting forth, *inter alia*, the conditions upon which the Restricted ADSs presented, and, if applicable, the Restricted ADRs evidencing the Restricted ADSs, are transferable by the Holder thereof under applicable securities laws and the transfer restrictions contained in the legend applicable to the Restricted ADSs presented for transfer. Except as set forth in this Section 2.14 and except as required by applicable law, the Restricted ADSs and the Restricted ADRs evidencing Restricted ADSs shall be treated as ADSs and ADRs issued and outstanding under the terms of the Deposit Agreement. In the event that, in determining the rights and obligations of parties hereto with respect to any Restricted ADSs, any conflict arises between (a) the terms of the Deposit Agreement (other than this Section 2.14) and (b) the terms of (i) this Section 2.14 or (ii) the applicable Restricted ADR, the terms and conditions set forth in this Section 2.14 and of the Restricted ADR shall be controlling and shall govern the rights and obligations of the parties to the Deposit Agreement pertaining to the deposited Restricted Shares, the Restricted ADSs and Restricted ADRs.

If the Restricted ADRs, the Restricted ADSs and the Restricted Shares cease to be Restricted Securities, the Depositary, upon receipt of (x) an opinion of counsel satisfactory to the Depositary setting forth, *inter alia*, that the Restricted ADRs, the Restricted ADSs and the Restricted Shares are not as of such time Restricted Securities, and (y) instructions from the Company to remove the restrictions applicable to the Restricted ADRs, the Restricted ADSs and the Restricted Shares, shall (i) eliminate the distinctions and separations that may have been established between the applicable Restricted Shares held on deposit under this Section 2.14 and the other Shares held on deposit under the terms of the Deposit Agreement that are not Restricted Shares, (ii) treat the newly unrestricted ADRs and ADSs on the same terms as, and fully fungible with, the other ADRs and ADSs issued and outstanding under the terms of the Deposit Agreement that are not Restricted ADRs or Restricted ADSs, and (iii) take all actions necessary to remove any distinctions, limitations and restrictions previously existing under this Section 2.14 between the applicable Restricted ADRs and Restricted ADSs, respectively, on the one

hand, and the other ADRs and ADSs that are not Restricted ADRs or Restricted ADSs, respectively, on the other hand, including, without limitation, by making the newly-unrestricted ADSs eligible for Pre-Release Transactions and for inclusion in the applicable book-entry settlement systems.

ARTICLE III

CERTAIN OBLIGATIONS OF HOLDERS AND BENEFICIAL OWNERS OF ADSs

Section 3.1 **Proofs, Certificates and Other Information.** Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depositary and the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges relating to that person, exchange control approval, legal or beneficial ownership of ADSs and Deposited Property, compliance with applicable laws, the terms of the Deposit Agreement or the ADR(s) evidencing the ADSs and the provisions of, or governing, the Deposited Property, to execute such certifications and to make such representations and warranties, and to provide such other information and documentation (or, in the case of Shares in registered form presented for deposit, such information relating to the registration on the books of the Company or of the Share Registrar) as the Depositary or the Custodian may deem necessary or proper or as the Company may reasonably require by written request to the Depositary consistent with its obligations under the Deposit Agreement and the applicable ADR(s). The Depositary and the Registrar, as applicable, may withhold the execution or delivery or registration of transfer of any ADR or ADS or the distribution or sale of any dividend or distribution of rights or of the proceeds thereof or, to the extent not limited by the terms of Section 7.8, the delivery of any Deposited Property until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information is provided, in each case to the Depositary's, the Registrar's and the Company's satisfaction. The Depositary shall provide the Company, in a timely manner, with copies or originals if necessary and appropriate of (i) any such proofs of citizenship or residence, taxpayer status, or exchange control approval or copies of written representations and warranties which it receives from Holders and Beneficial Owners, and (ii) any other information or documents which the Company may reasonably request and which the Depositary shall request and receive from any Holder or Beneficial Owner or any person presenting Shares for deposit or ADSs for cancellation, transfer or withdrawal. Nothing herein shall obligate the Depositary to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners, or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

Section 3.2 **Liability for Taxes and Other Charges.** Any tax or other governmental charge payable by the Custodian or by the Depositary with respect to any Deposited Property, ADSs or ADRs shall be payable by the Holders and Beneficial Owners to the Depositary. The Company, the Custodian and/or the Depositary may withhold or deduct from any distributions made in respect of Deposited Property, and may sell for the account of a Holder and/or Beneficial Owner any or all of the Deposited Property and apply such distributions and sale proceeds in payment of, any taxes (including applicable interest and penalties) or charges that are

or may be payable by Holders or Beneficial Owners in respect of the ADSs, Deposited Property and ADRs, the Holder and the Beneficial Owner remaining liable for any deficiency. The Custodian may refuse the deposit of Shares and the Depositary may refuse to issue ADSs, to deliver ADRs, to register the transfer of ADSs, to register the split-up or combination of ADRs and (subject to Section 7.8) the withdrawal of Deposited Property until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depositary, the Company, the Custodian, and any of their agents, officers, employees and Affiliates for, and to hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any tax benefit obtained for such Holder and/or Beneficial Owner. The obligations of Holders and Beneficial Owners under this Section 3.2 shall survive any transfer of ADSs, any cancellation of ADSs and withdrawal of Deposited Securities, and the termination of the Deposit Agreement.

Section 3.3 Representations and Warranties on Deposit of Shares. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly allotted and issued, fully paid, not subject to any call for the payment of further capital and legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been validly waived, disapplied or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, (v) the Shares presented for deposit are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated in Section 2.14), and (vi) the Shares presented for deposit have not been stripped of any rights or entitlements. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of ADSs in respect thereof and the transfer of such ADSs. If any such representations or warranties are false in any way, the Company and the Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

Section 3.4 Compliance with Information Requests. Notwithstanding any other provision of the Deposit Agreement or any ADR(s), each Holder and Beneficial Owner agrees to comply with requests from the Company pursuant to applicable law, the rules and requirements of The NASDAQ Global Market and any other stock exchange on which the Shares or ADSs are, or will be, registered, traded or listed or the Articles of Association of the Company, which are made to provide information, *inter alia*, as to the capacity in which such Holder or Beneficial Owner owns ADSs (and Shares as the case may be) and regarding the identity of any other person(s) interested in such ADSs and the nature of such interest and various other matters, whether or not they are Holders and/or Beneficial Owners at the time of such request. The Depositary agrees to use its reasonable efforts to forward, upon the request of the Company and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

Section 3.5 Ownership Restrictions. Notwithstanding any other provision in the Deposit Agreement or any ADR, the Company may restrict transfers of the Shares where such transfer might result in ownership of Shares exceeding limits imposed by applicable law or the Articles of Association of the Company. The Company may also restrict, in such manner as it deems appropriate, transfers of the ADSs where such transfer may result in the total number of

Shares represented by the ADSs owned by a single Holder or Beneficial Owner to exceed any such limits. The Company may, in its sole discretion but subject to applicable law, instruct the Depositary to take action with respect to the ownership interest of any Holder or Beneficial Owner in excess of the limits set forth in the preceding sentence, including, but not limited to, the imposition of restrictions on the transfer of ADSs, the removal or limitation of voting rights or mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADSs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Articles of Association of the Company. Nothing herein shall be interpreted as obligating the Depositary or the Company to ensure compliance with the ownership restrictions described in this Section 3.5.

Section 3.6 **Reporting Obligations and Regulatory Approvals.** Applicable laws and regulations may require holders and beneficial owners of Shares, including the Holders and Beneficial Owners of ADSs, to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Holders and Beneficial Owners of ADSs are solely responsible for determining and complying with such reporting requirements and obtaining such approvals. Each Holder and each Beneficial Owner hereby agrees to make such determination, file such reports, and obtain such approvals to the extent and in the form required by applicable laws and regulations as in effect from time to time. Neither the Depositary, the Custodian, the Company or any of their respective agents or affiliates shall be required to take any actions whatsoever on behalf of Holders or Beneficial Owners to determine or satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

ARTICLE IV

THE DEPOSITED SECURITIES

Section 4.1 **Cash Distributions.** Whenever the Company intends to make a distribution of a cash dividend or other cash distribution in respect of any Deposited Securities, the Company shall give notice thereof to the Depositary at least twenty (20) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution specifying, *inter alia*, the record date applicable for determining the holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice, the Depositary shall establish the ADS Record Date upon the terms described in Section 4.9. Upon receipt of confirmation of the receipt of (x) any cash dividend or other cash distribution on any Deposited Securities, or (y) proceeds from the sale of any Deposited Property held in respect of the ADSs under the terms hereof, the Depositary will (i) if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depositary (pursuant to Section 4.8), be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms described in Section 4.8), (ii) if applicable and unless previously established, establish the ADS Record Date upon the terms described in Section 4.9, and (iii) distribute promptly the amount thus received (net of (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes withheld) to the Holders entitled thereto as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date. The Depositary shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent, and any balance not so

distributed shall be held by the Depositary (without liability for interest thereon) and shall be added to and become part of the next sum received by the Depositary for distribution to Holders of ADSs outstanding at the time of the next distribution. If the Company, the Custodian or the Depositary is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities, or from any cash proceeds from the sales of Deposited Property, an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depositary to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depositary upon request. The Depositary will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable Holders and Beneficial Owners of ADSs until the distribution can be effected or the funds that the Depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for in this Section 4.1, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.1, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in this Section 4.1 where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.2 **Distribution in Shares.** Whenever the Company intends to make a distribution that consists of a dividend in, or free distribution of, Shares, the Company shall give notice thereof to the Depositary at least twenty (20) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution, specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice from the Company, the Depositary shall establish the ADS Record Date upon the terms described in Section 4.9. Upon receipt of confirmation from the Custodian of the receipt of the Shares so distributed by the Company, the Depositary shall either (i) subject to Section 5.9, distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes), or (ii) if additional ADSs are not so distributed, take all actions necessary so that each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional integral number of Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes). In lieu of delivering fractional ADSs, the Depositary shall sell the number of Shares or ADSs, as the case may be, represented by the aggregate of such fractions and distribute the net proceeds upon the terms described in Section 4.1. In the event that the Depositary determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, or, if the Company in the fulfillment of its obligations under Section 5.7, has furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be

distributed to Holders (and no such registration statement has been declared effective), the Depositary may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable, and the Depositary shall distribute the net proceeds of any such sale (after deduction of (a) applicable taxes and (b) fees and charges of, and expenses incurred by, the Depositary) to Holders entitled thereto upon the terms described in Section 4.1. The Depositary shall hold and/or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for in this Section 4.2, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.2, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in this Section 4.2 where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.3 **Elective Distributions in Cash or Shares.** Whenever the Company intends to make a distribution payable at the election of the holders of Deposited Securities in cash or in additional Shares, the Company shall give notice thereof to the Depositary at least sixty (60) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such elective distribution and whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall assist the Depositary in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depositary shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution be made available to Holders, (ii) the Depositary shall have determined that such distribution is reasonably practicable and (iii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7. If the above conditions are not satisfied or if the Company requests such elective distribution not to be made available to Holders of ADSs, the Depositary shall establish the ADS Record Date on the terms described in Section 4.9 and, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in England and Wales in respect of the Shares for which no election is made, either (X) cash upon the terms described in Section 4.1 or (Y) additional ADSs representing such additional Shares upon the terms described in Section 4.2. If the above conditions are satisfied, the Depositary shall establish an ADS Record Date on the terms described in Section 4.9 and establish procedures to enable Holders to elect the receipt of the proposed distribution in cash or in additional ADSs. The Company shall assist the Depositary in establishing such procedures to the extent necessary. If a Holder elects to receive the proposed distribution (X) in cash, the distribution shall be made upon the terms described in Section 4.1, or (Y) in ADSs, the distribution shall be made upon the terms described in Section 4.2. Nothing herein shall obligate the Depositary to make available to Holders a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares. Notwithstanding

anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for in this Section 4.3, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.3, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in this Section 4.3 where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.4 Distribution of Rights to Purchase Additional ADSs.

(a) Distribution to ADS Holders. Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depositary at least sixty (60) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution and whether or not it wishes such rights to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall assist the Depositary in its determination, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depositary shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7, and (iii) the Depositary shall have determined that such distribution of rights is reasonably practicable. In the event any of the conditions set forth above are not satisfied or if the Company requests that the rights not be made available to Holders of ADSs, the Depositary shall proceed with the sale of the rights as contemplated in Section 4.4(b) below. In the event all conditions set forth above are satisfied, the Depositary shall establish the ADS Record Date (upon the terms described in Section 4.9) and establish procedures to (x) distribute rights to purchase additional ADSs (by means of warrants or otherwise), (y) enable the Holders to exercise such rights (upon payment of the subscription price and of the applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes), and (z) deliver ADSs upon the valid exercise of such rights. The Company shall assist the Depositary to the extent necessary in establishing such procedures. Nothing herein shall obligate the Depositary to make available to the Holders a method to exercise rights to subscribe for Shares (rather than ADSs).

(b) Sale of Rights. If (i) the Company does not timely request the Depositary to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depositary fails to receive satisfactory documentation within the terms of Section 5.7, or determines it is not reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depositary shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity, at such place and upon such terms (including public or private sale) as it may deem practicable. The Company shall assist the Depositary to the extent necessary to determine such legality and practicability. The Depositary shall, upon such sale, convert and distribute proceeds of such sale (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) upon the terms set forth in Section 4.1.

(c) Lapse of Rights. If the Depositary is unable to make any rights available to Holders upon the terms described in Section 4.4(a) or to arrange for the sale of the rights upon the terms described in Section 4.4(b), the Depositary shall allow such rights to lapse.

The Depositary shall not be liable for (i) any failure to accurately determine whether it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise, or (iii) the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything to the contrary in this Section 4.4, if registration (under the Securities Act or any other applicable law) of the rights or the securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act (or other applicable law) covering such offering is in effect or (ii) unless the Company furnishes the Depositary opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case satisfactory to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws.

In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of Deposited Property (including rights) an amount on account of taxes or other governmental charges, the amount distributed to the Holders of ADSs shall be reduced accordingly. In the event that the Depositary determines that any distribution of Deposited Property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such Deposited Property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive or exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights.

Section 4.5 Distributions Other Than Cash, Shares or Rights to Purchase Shares.

(a) Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give timely notice thereof to the Depositary and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution to be made to Holders of ADSs, the Depositary shall consult with the Company, and the Company shall assist the Depositary, to determine whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such

distribution unless (i) the Company shall have requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7, and (iii) the Depositary shall have determined that such distribution is reasonably practicable.

(b) Upon receipt of satisfactory documentation and the request of the Company to distribute property to Holders of ADSs and after making the requisite determinations set forth in (a) above, the Depositary shall distribute the property so received to the Holders of record, as of the ADS Record Date, in proportion to the number of ADSs held by them respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any applicable taxes withheld. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

(c) If (i) the Company does not request the Depositary to make such distribution to Holders or requests the Depositary not to make such distribution to Holders, (ii) the Depositary does not receive satisfactory documentation within the terms of Section 5.7, or (iii) the Depositary determines that all or a portion of such distribution is not reasonably practicable, the Depositary shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem practicable and shall (i) cause the proceeds of such sale, if any, to be converted into Dollars and (ii) distribute the proceeds of such conversion received by the Depositary (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) to the Holders as of the ADS Record Date upon the terms of Section 4.1. If the Depositary is unable to sell such property, the Depositary may dispose of such property for the account of the Holders in any way it deems reasonably practicable under the circumstances.

(d) Neither the Depositary nor the Company shall be liable for (i) any failure to accurately determine whether it is lawful or practicable to make the property described in this Section 4.5 available to Holders in general or any Holders in particular, nor (ii) any loss incurred in connection with the sale or disposal of such property.

Section 4.6 **Distributions with Respect to Deposited Securities in Bearer Form.** Subject to the terms of this Article IV, distributions in respect of Deposited Securities that are held by the Depositary or the Custodian in bearer form shall be made to the Depositary for the account of the respective Holders of ADS(s) with respect to which any such distribution is made upon due presentation by the Depositary or the Custodian to the Company of any relevant coupons, talons, or certificates. The Company shall promptly notify the Depositary of such distributions. The Depositary or the Custodian shall promptly present such coupons, talons or certificates, as the case may be, in connection with any such distribution.

Section 4.7 **Redemption.** If the Company intends to exercise any right of redemption in respect of any of the Deposited Securities, the Company shall give notice thereof to the Depositary at least sixty (60) days (or such other number of days as mutually agreed to in writing

by the Depositary and the Company) prior to the intended date of redemption which notice shall set forth the particulars of the proposed redemption. Upon timely receipt of (i) such notice and (ii) satisfactory documentation given by the Company to the Depositary within the terms of Section 5.7, and only if the Depositary shall have determined that such proposed redemption is practicable, the Depositary shall provide to each Holder a notice setting forth the intended exercise by the Company of the redemption rights and any other particulars set forth in the Company's notice to the Depositary. The Depositary shall instruct the Custodian to present to the Company the Deposited Securities in respect of which redemption rights are being exercised against payment of the applicable redemption price. Upon receipt of confirmation from the Custodian that the redemption has taken place and that funds representing the redemption price have been received, the Depositary shall convert, transfer, and distribute the proceeds (net of applicable (a) fees and charges of, and the expenses incurred by, the Depositary, and (b) taxes), retire ADSs and cancel ADRs, if applicable, upon delivery of such ADSs by Holders thereof and the terms set forth in Sections 4.1 and 6.2. If less than all outstanding Deposited Securities are redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as may be determined by the Depositary. The redemption price per ADS shall be the dollar equivalent of the per share amount received by the Depositary (adjusted to reflect the ADS(s)-to-Share(s) ratio) upon the redemption of the Deposited Securities represented by ADSs (subject to the terms of Section 4.8 and the applicable fees and charges of, and expenses incurred by, the Depositary, and applicable taxes) multiplied by the number of Deposited Securities represented by each ADS redeemed.

Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed redemption provided for in this Section 4.7, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in this Section 4.7, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in this Section 4.7 where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

Section 4.8 Conversion of Foreign Currency. Whenever the Depositary or the Custodian shall receive Foreign Currency, by way of dividends or other distributions or the net proceeds from the sale of Deposited Property, which in the judgment of the Depositary can at such time be converted on a practicable basis, by sale or in any other manner that it may determine in accordance with applicable law, into Dollars transferable to the United States and distributable to the Holders entitled thereto, the Depositary shall convert or cause to be converted, by sale or in any other manner that it may determine, such Foreign Currency into Dollars, and shall distribute such Dollars (net of any applicable fees, any reasonable and customary expenses incurred in such conversion and any expenses incurred on behalf of the Holders in complying with currency exchange control or other governmental requirements) in accordance with the terms of the applicable sections of the Deposit Agreement. If the Depositary shall have distributed warrants or other instruments that entitle the holders thereof to such Dollars, the Depositary shall distribute such Dollars to the holders of such warrants and/or instruments upon surrender thereof for cancellation, in either case without liability for interest thereon. Such distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Holders on account of any application of exchange restrictions or otherwise.

If such conversion or distribution generally or with regard to a particular Holder can be effected only with the approval or license of any government or agency thereof, the Depositary shall have authority to file such application for approval or license, if any, as it may deem desirable. In no event, however, shall the Depositary be obligated to make such a filing.

If at any time the Depositary shall determine that in its judgment the conversion of any Foreign Currency and the transfer and distribution of proceeds of such conversion received by the Depositary is not practicable or lawful, or if any approval or license of any governmental authority or agency thereof that is required for such conversion, transfer and distribution is denied or, in the opinion of the Depositary, not obtainable at a reasonable cost or within a reasonable period, the Depositary may, in its discretion, (i) make such conversion and distribution in Dollars to the Holders for whom such conversion, transfer and distribution is lawful and practicable, (ii) distribute the Foreign Currency (or an appropriate document evidencing the right to receive such Foreign Currency) to Holders for whom this is lawful and practicable, or (iii) hold (or cause the Custodian to hold) such Foreign Currency (without liability for interest thereon) for the respective accounts of the Holders entitled to receive the same.

Section 4.9 Fixing of ADS Record Date. Whenever the Depositary shall receive notice of the fixing of a record date by the Company for the determination of holders of Deposited Securities entitled to receive any distribution (whether in cash, Shares, rights, or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each ADS, or whenever the Depositary shall receive notice of any meeting of, or solicitation of consents or proxies of, holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient in connection with the giving of any notice, solicitation of any consent or any other matter, the Depositary shall fix the record date (the "ADS Record Date") for the determination of the Holders of ADS(s) who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS. The Depositary shall make reasonable efforts to establish the ADS Record Date as closely as practicable to the applicable record date for the Deposited Securities (if any) set by the Company in England and Wales and shall not announce the establishment of any ADS Record Date prior to the relevant corporate action having been made public by the Company (if such corporate action affects the Deposited Securities). Subject to applicable law and the provisions of Section 4.1 through 4.8 and to the other terms and conditions of the Deposit Agreement, only the Holders of ADSs at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

Section 4.10 Voting of Deposited Securities. As soon as practicable after receipt of notice of any meeting at which the holders of Deposited Securities are entitled to vote, or of solicitation of consents or proxies from holders of Deposited Securities, the Depositary shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy in accordance with Section 4.9. The Depositary shall, if requested by the Company in writing in a timely manner (the Depositary having no obligation to take any further action if the request shall not have been received by the Depositary at least thirty (30) days prior to the date of such vote or meeting), at the Company's expense and provided no U.S. legal prohibitions exist, distribute to

Holders as of the ADS Record Date: (a) such notice of meeting or solicitation of consent or proxy, (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of the Deposit Agreement, the Articles of Association of the Company and the provisions of or governing the Deposited Securities (which provisions, if any, shall be summarized in pertinent part by the Company), to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder's ADSs, and (c) a brief statement as to the manner in which such voting instructions may be given to the Depositary or in which voting instructions may be deemed to have been given in accordance with this Section 4.10 if no instructions are received prior to the deadline set for such purposes to the Depositary to give a discretionary proxy to a person designated by the Company.

Notwithstanding anything contained in the Deposit Agreement or any ADR, with the Company's prior consent, the Depositary may, to the extent not prohibited by law or regulations, or by the requirements of the stock exchange on which the ADSs are listed, in lieu of distribution of the materials provided to the Depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of Deposited Securities, distribute to the Holders a notice that provides Holders with, or otherwise publicizes to Holders, instructions on how to retrieve such materials or receive such materials upon request (*e.g.*, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

The Depositary has been advised by the Company that under the Articles of Association of the Company as in effect on the date of the Deposit Agreement, voting at any meeting of shareholders of the Company is by show of hands unless (before or upon the declaration of the result of the show of hands) a poll is demanded. The Depositary will not join in demanding a poll, whether or not requested to do so by Holders of ADSs. Under the Articles of Association of the Company as in effect on the date of the Deposit Agreement, a poll may be demanded by (a) the chairman of the Company's board of directors, (b) not fewer than five shareholders present in person or by proxy and having the right to vote at the meeting, (c) any shareholder(s) present in person or by proxy and representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution (excluding any shares held in treasury), or (d) any shareholder(s) present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right (excluding any shares held in treasury).

Voting instructions may be given only in respect of a number of ADSs representing an integral number of Deposited Securities. Upon the timely receipt from a Holder of ADSs as of the ADS Record Date of voting instructions in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of the Deposit Agreement, Articles of Association of the Company and the provisions of the Deposited Securities, to vote, or cause the Custodian to vote, the Deposited Securities (in person or by proxy) represented by such Holder's ADSs as follows: (a) in the event voting takes place at a shareholders' meeting by a show of hands, the Depositary will instruct the Custodian to vote all

Deposited Securities in accordance with the voting instructions received from a majority of Holders of ADSs who provided voting instructions, and (b) in the event voting takes place at a shareholders' meeting by poll, the Depositary will instruct the Custodian to vote the Deposited Securities in accordance with the voting instructions received from the Holders of ADSs. If voting is by poll and the Depositary does not receive voting instructions from a Holder as of the ADS Record Date on or before the date established by the Depositary for such purpose, such Holder shall be deemed, and the Depositary shall deem such Holder, to have instructed the Depositary to give a discretionary proxy to a person designated by the Company to vote the Deposited Securities; provided, however, that no such discretionary proxy shall be given by the Depositary with respect to any matter to be voted upon as to which the Company informs the Depositary that (a) the Company does not wish such proxy to be given, (b) substantial opposition exists, or (c) the rights of holders of Deposited Securities may be adversely affected.

Neither the Depositary nor the Custodian shall under any circumstances exercise any discretion as to voting and neither the Depositary nor the Custodian shall vote, attempt to exercise the right to vote, or in any way make use of, for purposes of establishing a quorum or otherwise, the Deposited Securities represented by ADSs, except pursuant to and in accordance with the voting instructions timely received from Holders or as otherwise contemplated herein. If the Depositary timely receives voting instructions from a Holder which fail to specify the manner in which the Depositary is to vote the Deposited Securities represented by such Holder's ADSs, the Depositary will deem such Holder (unless otherwise specified in the notice distributed to Holders) to have instructed the Depositary to vote in favor of the items set forth in such voting instructions. Deposited Securities represented by ADSs for which no timely voting instructions are received by the Depositary from the Holder shall not be voted (except (a) in the case voting is by show of hands, in which case the Depositary will instruct the Custodian to vote all Deposited Securities in accordance with the voting instructions received from a majority of Holders of ADSs who provided voting instructions, and (b) as contemplated in this Section 4.10). Notwithstanding anything else contained herein, the Depositary shall, if so requested in writing by the Company, represent all Deposited Securities (whether or not voting instructions have been received in respect of such Deposited Securities from Holders as of the ADS Record Date) for the sole purpose of establishing quorum at a meeting of shareholders.

Notwithstanding anything else contained in the Deposit Agreement or any ADR, the Depositary shall not have any obligation to take any action with respect to any meeting, or solicitation of consents or proxies, of holders of Deposited Securities if the taking of such action would violate U.S. laws. The Company agrees to take any and all actions reasonably necessary and as permitted by the laws of England and Wales to enable Holders and Beneficial Owners to exercise the voting rights accruing to the Deposited Securities and to deliver to the Depositary an opinion of U.S. counsel addressing any actions requested to be taken if so requested by the Depositary.

There can be no assurance that Holders generally or any Holder in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

Section 4.11 Changes Affecting Deposited Securities. Upon any change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, consolidation or sale of assets affecting the Company or to which it is a party, any property which shall be received by the Depositary or the Custodian in exchange for, or in conversion of, or replacement of, or otherwise

in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Property under the Deposit Agreement, and the ADSs shall, subject to the provisions of the Deposit Agreement, any ADR(s) evidencing such ADSs and applicable law, represent the right to receive such additional or replacement Deposited Property. In giving effect to such change, split-up, cancellation, consolidation or other reclassification of Deposited Securities, recapitalization, reorganization, merger, consolidation or sale of assets, the Depositary may, with the Company's approval, and shall, if the Company shall so request, subject to the terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary, and (b) applicable taxes) and receipt of an opinion of counsel to the Company satisfactory to the Depositary that such actions are not in violation of any applicable laws or regulations, (i) issue and deliver additional ADSs as in the case of a stock dividend on the Shares, (ii) amend the Deposit Agreement and the applicable ADRs, (iii) amend the applicable Registration Statement(s) on Form F-6 as filed with the Commission in respect of the ADSs, (iv) call for the surrender of outstanding ADRs to be exchanged for new ADRs, and (v) take such other actions as are appropriate to reflect the transaction with respect to the ADSs. The Company agrees to, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of ADRs. Notwithstanding the foregoing, in the event that any Deposited Property so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company's approval, and shall, if the Company requests, subject to receipt of an opinion of Company's counsel satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such Deposited Property at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) for the account of the Holders otherwise entitled to such Deposited Property upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1. The Depositary shall not be responsible for (i) any failure to determine that it may be lawful or practicable to make such Deposited Property available to Holders in general or to any Holder in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale, or (iii) any liability to the purchaser of such Deposited Property.

Section 4.12 Available Information. The Company is subject to the periodic reporting requirements of the Exchange Act and, accordingly, is required to file or furnish certain reports with the Commission. These reports can be retrieved from the Commission's website (www.sec.gov) and can be inspected and copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington D.C. 20549.

Section 4.13 Reports. The Depositary shall make available for inspection by Holders at its Principal Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Property and (b) made generally available to the holders of such Deposited Property by the Company. The Depositary shall also provide or make available to Holders copies of such reports when furnished by the Company pursuant to Section 5.6.

Section 4.14 List of Holders. Promptly upon written request by the Company, the Depositary shall furnish to it a list, as of a recent date, of the names, addresses and holdings of ADSs of all Holders.

Section 4.15 Taxation. The Depositary will, and will instruct the Custodian to, forward to the Company or its agents such information from its records as the Company may reasonably request to enable the Company or its agents to file the necessary tax reports with governmental authorities or agencies. The Depositary, the Custodian or the Company and its agents may file such reports as are necessary to reduce or eliminate applicable taxes on dividends and on other distributions in respect of Deposited Property under applicable tax treaties or laws for the Holders and Beneficial Owners. In accordance with instructions from the Company and to the extent practicable, the Depositary or the Custodian will take reasonable administrative actions to obtain tax refunds, reduced withholding of tax at source on dividends and other benefits under applicable tax treaties or laws with respect to dividends and other distributions on the Deposited Property. As a condition to receiving such benefits, Holders and Beneficial Owners of ADSs may be required from time to time, and in a timely manner, to file such proof of taxpayer status, residence and beneficial ownership (as applicable), to execute such certificates and to make such representations and warranties, or to provide any other information or documents, as the Depositary or the Custodian may deem necessary or proper to fulfill the Depositary's or the Custodian's obligations under applicable law. The Depositary and the Company shall have no obligation or liability to any person if any Holder or Beneficial Owner fails to provide such information or if such information does not reach the relevant tax authorities in time for any Holder or Beneficial Owner to obtain the benefits of any tax treatment. The Holders and Beneficial Owners shall indemnify the Depositary, the Company, the Custodian and any of their respective directors, employees, agents and Affiliates against, and hold each of them harmless from, any claims by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced rate of withholding at source or other tax benefit obtained.

If the Company (or any of its agents) withholds from any distribution any amount on account of taxes or governmental charges, or pays any other tax in respect of such distribution (*e.g.*, stamp duty tax, capital gains or other similar tax), the Company shall (and shall cause such agent to) remit promptly to the Depositary information about such taxes or governmental charges withheld or paid, and, if so requested, the tax receipt (or other proof of payment to the applicable governmental authority) therefor, in each case, in a form satisfactory to the Depositary. The Depositary shall, to the extent required by U.S. law, report to Holders any taxes withheld by it or the Custodian, and, if such information is provided to it by the Company, any taxes withheld by the Company. The Depositary and the Custodian shall not be required to provide the Holders with any evidence of the remittance by the Company (or its agents) of any taxes withheld, or of the payment of taxes by the Company, except to the extent the evidence is provided by the Company to the Depositary or the Custodian, as applicable. Neither the Depositary nor the Custodian shall be liable for the failure by any Holder or Beneficial Owner to obtain the benefits of credits on the basis of non-U.S. tax paid against such Holder's or Beneficial Owner's income tax liability.

The Depositary is under no obligation to provide the Holders and Beneficial Owners with any information about the tax status of the Company. The Depositary shall not incur any

liability for any tax consequences that may be incurred by Holders and Beneficial Owners on account of their ownership of the ADSs, including without limitation, tax consequences resulting from the Company (or any of its subsidiaries) being treated as a "Passive Foreign Investment Company" (in each case as defined in the U.S. Internal Revenue Code and the regulations issued thereunder) or otherwise.

ARTICLE V

THE DEPOSITARY, THE CUSTODIAN AND THE COMPANY

Section 5.1 **Maintenance of Office and Transfer Books by the Registrar.** Until termination of the Deposit Agreement in accordance with its terms, the Registrar shall maintain in the Borough of Manhattan, the City of New York, an office and facilities for the issuance and delivery of ADSs, the acceptance for surrender of ADS(s) for the purpose of withdrawal of Deposited Securities, the registration of issuances, cancellations, transfers, combinations and split-ups of ADS(s) and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up, in each case in accordance with the provisions of the Deposit Agreement.

The Registrar shall keep books for the registration of ADSs which at all reasonable times shall be open for inspection by the Company and by the Holders of such ADSs, provided that such inspection shall not be, to the Registrar's knowledge, for the purpose of communicating with Holders of such ADSs in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the ADSs.

The Registrar may close the transfer books with respect to the ADSs, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to Section 7.8.

If any ADSs are listed on one or more stock exchanges or automated quotation systems in the United States, the Depositary shall act as Registrar or appoint a Registrar or one or more co-registrars for registration of issuances, cancellations, transfers, combinations and split-ups of ADSs and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up**,** in accordance with any requirements of such exchanges or systems. Such Registrar or co-registrars may be removed and a substitute or substitutes appointed by the Depositary.

Section 5.2 **Exoneration.** Notwithstanding anything contained in the Deposit Agreement or any ADR, neither the Depositary nor the Company shall be obligated to do or perform any act which is inconsistent with the provisions of the Deposit Agreement or incur any liability (i) if the Depositary or the Company shall be prevented or forbidden from, or delayed in, doing or performing any act or thing required by the terms of the Deposit Agreement, by reason of any provision of any present or future law or regulation of the United States, England and Wales or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of potential criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Articles of Association of the Company or any provision

of or governing any Deposited Securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, acts of terrorism, revolutions, rebellions, explosions and computer failure), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Articles of Association of the Company or provisions of or governing Deposited Securities, (iii) for any action or inaction in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADSs, or (v) for any consequential or punitive damages (including lost profits) for any breach of the terms of the Deposit Agreement.

The Depositary, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement.

Section 5.3 **Standard of Care.** The Company and the Depositary assume no obligation and shall not be subject to any liability under the Deposit Agreement or any ADRs to any Holder(s) or Beneficial Owner(s), except that the Company and the Depositary agree to perform their respective obligations specifically set forth in the Deposit Agreement or the applicable ADRs without negligence or bad faith.

Without limitation of the foregoing, neither the Depositary, nor the Company, nor any of their respective controlling persons, or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Property or in respect of the ADSs, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depositary).

The Depositary and its agents shall not be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, provided that any such action or omission is in good faith and without negligence and in accordance with the terms of the Deposit Agreement. The Depositary shall not incur any liability for any failure to accurately determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Property, for the validity or worth of the Deposited Property or for any tax consequences that may result from the ownership

of ADSs, Shares or other Deposited Property, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement, for the failure or timeliness of any notice from the Company, or for any action of or failure to act by, or any information provided or not provided by, DTC or any DTC Participant.

The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

The Depositary shall not be liable for any acts or omissions made by a predecessor depositary whether in connection with an act or omission of the Depositary or in connection with any matter arising wholly prior to the appointment of the Depositary or after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

Section 5.4 Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary hereunder by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2), or (ii) the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided.

The Depositary may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2), or (ii) upon the appointment by the Company of a successor depositary and its acceptance of such appointment as hereinafter provided.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the Borough of Manhattan, the City of New York. Every successor depositary shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor (other than as contemplated in Sections 5.8 and 5.9). The predecessor depositary, upon payment of all sums due it and on the written request of the Company, shall, (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9), (ii) duly assign, transfer and deliver all of the Depositary's right, title and interest to the Deposited Property to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding ADSs and such other information relating to ADSs and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly provide notice of its appointment to such Holders.

Any entity into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

Section 5.5 The Custodian. The Depositary has initially appointed Citibank N.A., London Branch, as Custodian for the purpose of the Deposit Agreement. The Custodian or its successors in acting hereunder shall be subject at all times and in all respects to the direction of the Depositary for the Deposited Property for which the Custodian acts as custodian and shall be responsible solely to it. If any Custodian resigns or is discharged from its duties hereunder with respect to any Deposited Property and no other Custodian has previously been appointed hereunder, the Depositary shall promptly appoint a substitute custodian. The Depositary shall require such resigning or discharged Custodian to Deliver, or cause the Delivery of, the Deposited Property held by it, together with all such records maintained by it as Custodian with respect to such Deposited Property as the Depositary may request, to the Custodian designated by the Depositary. Whenever the Depositary determines, in its discretion, that it is appropriate to do so, it may appoint an additional custodian with respect to any Deposited Property, or discharge the Custodian with respect to any Deposited Property and appoint a substitute custodian, which shall thereafter be Custodian hereunder with respect to the Deposited Property. Immediately upon any such change, the Depositary shall give notice thereof in writing to all Holders of ADSs, each other Custodian and the Company.

Citibank, N.A. may at any time act as Custodian of the Deposited Property pursuant to the Deposit Agreement, in which case any reference to Custodian shall mean Citibank, N.A. solely in its capacity as Custodian pursuant to the Deposit Agreement. Notwithstanding anything contained in the Deposit Agreement or any ADR, the Depositary shall not be obligated to give notice to the Company, any Holders of ADSs or any other Custodian of its acting as Custodian pursuant to the Deposit Agreement.

Upon the appointment of any successor depositary, any Custodian then acting hereunder shall, unless otherwise instructed by the Depositary, continue to be the Custodian of the Deposited Property without any further act or writing, and shall be subject to the direction of the successor depositary. The successor depositary so appointed shall, nevertheless, on the written request of any Custodian, execute and deliver to such Custodian all such instruments as may be proper to give to such Custodian full and complete power and authority to act on the direction of such successor depositary.

Section 5.6 Notices and Reports. On or before the first date on which the Company gives notice, by publication or otherwise, of any meeting of holders of Shares or other Deposited Securities, or of any adjourned meeting of such holders, or of the taking of any action by such holders other than at a meeting, or of the taking of any action in respect of any cash or other distributions or the offering of any rights in respect of Deposited Securities, the Company shall transmit to the Depositary and the Custodian a copy of the notice thereof in the English language but otherwise in the form given or to be given to holders of Shares or other Deposited Securities. The Company shall also furnish to the Custodian and the Depositary a summary, in English, of any applicable provisions or proposed provisions of the Articles of Association of the Company that may be relevant or pertain to such notice of meeting or be the subject of a vote thereat.

The Company will also transmit to the Depositary (a) an English language version of the other notices, reports and communications which are made generally available by the Company to holders of its Shares or other Deposited Securities and (b) the English-language versions of the Company's annual and semi-annual reports prepared in accordance with the applicable requirements of the Commission. The Depositary shall arrange, at the request of the Company and at the Company's expense, to provide copies thereof to all Holders or make such notices, reports and other communications available to all Holders on a basis similar to that for holders of Shares or other Deposited Securities or on such other basis as the Company may advise the Depositary or as may be required by any applicable law, regulation or stock exchange requirement. The Company has delivered to the Depositary and the Custodian a copy of the Company's Articles of Association along with the provisions of or governing the Shares and any other Deposited Securities issued by the Company in connection with such Shares, and promptly upon any amendment thereto or change therein, the Company shall deliver to the Depositary and the Custodian a copy of such amendment thereto or change therein. The Depositary may rely upon such copy for all purposes of the Deposit Agreement.

The Depositary will, at the expense of the Company, make available a copy of any such notices, reports or communications issued by the Company and delivered to the Depositary for inspection by the Holders of the ADSs at the Depositary's Principal Office, at the office of the Custodian and at any other designated transfer office.

Section 5.7 **Issuance of Additional Shares, ADSs etc.** The Company agrees that in the event it or any of its Affiliates proposes (i) an issuance, sale or distribution of additional Shares, (ii) an offering of rights to subscribe for Shares or other Deposited Securities, (iii) an issuance or assumption of securities convertible into or exchangeable for Shares, (iv) an issuance of rights to subscribe for securities convertible into or exchangeable for Shares, (v) an elective dividend of cash or Shares, (vi) a redemption of Deposited Securities, (vii) a meeting of holders of Deposited Securities, or solicitation of consents or proxies, relating to any reclassification of securities, merger or consolidation or transfer of assets, (viii) any assumption, reclassification, recapitalization, reorganization, merger, consolidation or sale of assets which affects the Deposited Securities, or (ix) a distribution of securities other than Shares, it will obtain U.S. legal advice and take all steps necessary to ensure that the application of the proposed transaction to Holders and Beneficial Owners does not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act and the securities laws of the states of the U.S.). In support of the foregoing, the Company will furnish to the Depositary (a) a written opinion of U.S. counsel (reasonably satisfactory to the Depositary) stating whether such transaction (1) requires a registration statement under the Securities Act to be in effect or (2) is exempt from the registration requirements of the Securities Act and (b) an opinion of English counsel stating that (1) making the transaction available to Holders and Beneficial Owners does not violate the laws or regulations of England and Wales and (2) all requisite regulatory consents and approvals have been obtained in England and Wales. If the filing of a registration statement is required, the Depositary shall not have any obligation to proceed with the transaction unless it shall have received evidence reasonably satisfactory to it that such registration statement has been declared

effective. If, being advised by counsel, the Company determines that a transaction is required to be registered under the Securities Act, the Company will either (i) register such transaction to the extent necessary, (ii) alter the terms of the transaction to avoid the registration requirements of the Securities Act or (iii) direct the Depositary to take specific measures, in each case as contemplated in the Deposit Agreement, to prevent such transaction from violating the registration requirements of the Securities Act. The Company agrees with the Depositary that neither the Company nor any of its Affiliates will at any time (i) deposit any Shares or other Deposited Securities, either upon original issuance or upon a sale of Shares or other Deposited Securities previously issued and reacquired by the Company or by any such Affiliate, or (ii) issue additional Shares, rights to subscribe for such Shares, securities convertible into or exchangeable for Shares or rights to subscribe for such securities or distribute securities other than Shares, unless such transaction and the securities issuable in such transaction do not violate the registration provisions of the Securities Act, or any other applicable laws (including, without limitation, the Investment Company Act of 1940, as amended, the Exchange Act and the securities laws of the states of the U.S.).

Notwithstanding anything else contained in the Deposit Agreement, nothing in the Deposit Agreement shall be deemed to obligate the Company to file any registration statement in respect of any proposed transaction.

Section 5.8 **Indemnification.** The Depositary agrees to indemnify the Company and its directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct loss, liability, tax, charge or expense of any kind whatsoever (including, but not limited to, the reasonable fees and expenses of counsel) which may arise out of acts performed or omitted by the Depositary under the terms hereof due to the negligence or bad faith of the Depositary.

The Company agrees to indemnify the Depositary, the Custodian and any of their respective directors, officers, employees, agents and Affiliates against, and hold each of them harmless from, any direct loss, liability, tax, charge or expense of any kind whatsoever (including, but not limited to, the reasonable fees and expenses of counsel) that may arise (a) out of, or in connection with, any offer, issuance, sale, resale, transfer, deposit or withdrawal of ADRs, ADSs, the Shares, or other Deposited Securities, as the case may be and to the extent it is not unlawful for the Company to indemnify such person at such time under the applicable laws of England and Wales, (b) out of, or as a result of, any offering documents in respect thereof or (c) out of acts performed or omitted, including, but not limited to, any delivery by the Depositary on behalf of the Company of information regarding the Company, in connection with the Deposit Agreement, the ADRs, the ADSs, the Shares, or any Deposited Property, in any such case (i) by the Depositary, the Custodian or any of their respective directors, officers, employees, agents and Affiliates, except to the extent such loss, liability, tax, charge or expense is due to the negligence or bad faith of any of them, or (ii) by the Company or any of its directors, officers, employees, agents and Affiliates. The Company shall not indemnify the Depositary or the Custodian (for so long as the Custodian is a branch of Citibank, N.A.) against any liability or expense arising out of information relating to the Depositary or such Custodian, as the case may be, furnished in a signed writing to the Company, executed by the Depositary expressly for use in any registration statement, prospectus or preliminary prospectus relating to any Deposited Securities represented by the ADSs.

The obligations set forth in this Section shall survive the termination of the Deposit Agreement and the succession or substitution of any party hereto.

Any person seeking indemnification hereunder (an "indemnified person") shall notify the person from whom it is seeking indemnification (the "indemnifying person") of the commencement of any indemnifiable action or claim promptly after such indemnified person becomes aware of such commencement (provided that the failure to make such notification shall not affect such indemnified person's rights to seek indemnification except to the extent the indemnifying person is materially prejudiced by such failure) and shall consult in good faith with the indemnifying person as to the conduct of the defense of such action or claim that may give rise to an indemnity hereunder, which defense shall be reasonable in the circumstances. No indemnified person shall compromise or settle any action or claim that may give rise to an indemnity hereunder without the consent of the indemnifying person, which consent shall not be unreasonably withheld.

Section 5.9 ADS Fees and Charges. The Company, the Holders, the Beneficial Owners, and persons receiving ADSs upon issuance or whose ADSs are being cancelled shall be required to pay the ADS fees and charges identified as payable by them respectively in the ADS fee schedule attached hereto as Exhibit B. All ADS fees and charges so payable may be deducted from distributions or must be remitted to the Depositary, or its designee, may be waived by the Depositary in full or in part with respect to some or all ADSs upon such terms, and subject to such conditions, as the Depositary may determine and may, at any time and from time to time, be changed by agreement between the Depositary and the Company, but, in the case of ADS fees and charges payable by Holders and Beneficial Owners, only in the manner contemplated in Section 6.1. The Depositary shall provide, without charge, a copy of its latest ADS fee schedule to anyone upon request.

ADS fees and charges payable upon (i) the issuance of ADSs and (ii) the cancellation of ADSs will be payable by the person to whom the ADSs are so issued by the Depositary (in the case of ADS issuances) and by the person whose ADSs are being cancelled (in the case of ADS cancellations). In the case of ADSs issued by the Depositary into DTC or presented to the Depositary via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC Participant(s) receiving the ADSs from the Depositary or the DTC Participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the Beneficial Owner(s) and will be charged by the DTC Participant(s) to the account(s) of the applicable Beneficial Owner(s) in accordance with the procedures and practices of the DTC participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by Holders as of the applicable ADS Record Date established by the Depositary. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable Holders as of the ADS Record Date established by the Depositary will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to Holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC Participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC Participants in turn charge the amount of such ADS fees and charges to the Beneficial Owners for whom they hold ADSs.

The Depositary may reimburse the Company for certain expenses incurred by the Company in respect of the ADR program established pursuant to the Deposit Agreement, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as the Company and the Depositary agree from time to time. The Company shall pay to the Depositary such fees and charges, and reimburse the Depositary for such out-of-pocket expenses, as the Depositary and the Company may agree from time to time. Responsibility for payment of such fees, charges and reimbursements may from time to time be changed by agreement between the Company and the Depositary. Unless otherwise agreed, the Depositary shall present its statement for such fees, charges and reimbursements to the Company once every three months. The charges and expenses of the Custodian are for the sole account of the Depositary.

The obligations of Holders and Beneficial Owners to pay ADS fees and charges shall survive the termination of the Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in Section 5.4, the right to collect ADS fees and charges shall extend for those ADS fees and charges incurred prior to the effectiveness of such resignation or removal.

Section 5.10 Pre-Release Transactions. Subject to the further terms and provisions of this Section 5.10, the Depositary, its Affiliates and their agents, on their own behalf, may own and deal in any class of securities of the Company and its Affiliates and in ADSs. In its capacity as Depositary, the Depositary shall not lend Shares or ADSs; provided, however, that the Depositary may (i) issue ADSs prior to the receipt of Shares pursuant to Section 2.3 and (ii) deliver Shares prior to the receipt of ADSs for withdrawal of Deposited Securities pursuant to Section 2.7, including ADSs which were issued under (i) above but for which Shares may not have been received (each such transaction a "Pre-Release Transaction"). The Depositary may receive ADSs in lieu of Shares under (i) above and receive Shares in lieu of ADSs under (ii) above. Each such Pre-Release Transaction will be (a) subject to a written agreement whereby the person or entity (the "Applicant") to whom ADSs or Shares are to be delivered (w) represents that at the time of the Pre-Release Transaction the Applicant or its customer owns the Shares or ADSs that are to be delivered by the Applicant under such Pre-Release Transaction, (x) agrees to indicate the Depositary as owner of such Shares or ADSs in its records and to hold such Shares or ADSs in trust for the Depositary until such Shares or ADSs are delivered to the Depositary or the Custodian, (y) unconditionally guarantees to deliver to the Depositary or the Custodian, as applicable, such Shares or ADSs, and (z) agrees to any additional restrictions or requirements that the Depositary deems appropriate, (b) at all times fully collateralized with cash, U.S. government securities or such other collateral as the Depositary deems appropriate, (c) terminable by the Depositary on not more than five (5) business days' notice and (d) subject to such further indemnities and credit regulations as the Depositary deems appropriate. The Depositary will normally limit the number of ADSs and Shares involved in such Pre-Release Transactions at any one time to thirty percent (30%) of the ADSs outstanding (without giving effect to ADSs outstanding under (i) above), provided, however, that the Depositary reserves the right to change or disregard such limit from time to time as it deems appropriate.

The Depositary may also set limits with respect to the number of ADSs and Shares involved in Pre-Release Transactions with any one person on a case-by-case basis as it deems appropriate. The Depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided pursuant to (b) above, but not the earnings thereon, shall be held for the benefit of the Holders (other than the Applicant).

Section 5.11 **Restricted Securities Owners.** The Company agrees to advise in writing each of the persons or entities who, to the knowledge of the Company, holds Restricted Securities that such Restricted Securities are ineligible for deposit hereunder (except under the circumstances contemplated in Section 2.14) and, to the extent practicable, shall require each of such persons to represent in writing that such person will not deposit Restricted Securities hereunder (except under the circumstances contemplated in Section 2.14).

ARTICLE VI

AMENDMENT AND TERMINATION

Section 6.1 **Amendment/Supplement.** Subject to the terms and conditions of this Section 6.1 and applicable law, the ADRs outstanding at any time, the provisions of the Deposit Agreement and the form of ADR attached hereto and to be issued under the terms hereof may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depositary in any respect which they may deem necessary or desirable without the prior written consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding ADSs until the expiration of thirty (30) days after notice of such amendment or supplement shall have been given to the Holders of outstanding ADSs. Notice of any amendment to the Deposit Agreement or any ADR shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, provided, however, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (*e.g.*, upon retrieval from the Commission's, the Depositary's or the Company's website or upon request from the Depositary). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depositary) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act or (b) the ADSs to be settled solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADSs, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement and the ADR, if applicable, as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such ADS and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require an amendment of, or supplement to, the Deposit Agreement to ensure compliance therewith, the Company and the Depositary may amend or supplement the Deposit Agreement and any ADRs at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the

Deposit Agreement and any ADRs in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

Section 6.2 Termination. The Depositary shall, at any time at the written direction of the Company, terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. If ninety (90) days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and, in either case, a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 of the Deposit Agreement, the Depositary may terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. The date so fixed for termination of the Deposit Agreement in any termination notice so distributed by the Depositary to the Holders of ADSs is referred to as the "Termination Date". Until the Termination Date, the Depositary shall continue to perform all of its obligations under the Deposit Agreement, and the Holders and Beneficial Owners will be entitled to all of their rights under the Deposit Agreement.

If any ADSs shall remain outstanding after the Termination Date, the Registrar and the Depositary shall not, after the Termination Date, have any obligation to perform any further acts under the Deposit Agreement, except that the Depositary shall, subject, in each case, to the terms and conditions of the Deposit Agreement, continue to (i) collect dividends and other distributions pertaining to Deposited Securities, (ii) sell Deposited Property received in respect of Deposited Securities, (iii) deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any other Deposited Property, in exchange for ADSs surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (iv) take such actions as may be required under applicable law in connection with its role as Depositary under the Deposit Agreement.

At any time after the Termination Date, the Depositary may sell the Deposited Property then held under the Deposit Agreement and shall after such sale hold un-invested the net proceeds of such sale, together with any other cash then held by it under the Deposit Agreement, in an un-segregated account and without liability for interest, for the pro rata benefit of the Holders whose ADSs have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under the Deposit Agreement except (i) to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (ii) as may be required at law in connection with the termination of the Deposit Agreement. After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement, except for its obligations to the Depositary under Sections 5.8, 5.9 and 7.6 of the

Deposit Agreement. The obligations under the terms of the Deposit Agreement of Holders and Beneficial Owners of ADSs outstanding as of the Termination Date shall survive the Termination Date and shall be discharged only when the applicable ADSs are presented by their Holders to the Depositary for cancellation under the terms of the Deposit Agreement (except as specifically provided in the Deposit Agreement).

ARTICLE VII

MISCELLANEOUS

Section 7.1 **Counterparts.** The Deposit Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of such counterparts together shall constitute one and the same agreement. Copies of the Deposit Agreement shall be maintained with the Depositary and shall be open to inspection by any Holder during business hours.

Section 7.2 **No Third-Party Beneficiaries.** The Deposit Agreement is for the exclusive benefit of the parties hereto (and their successors) and shall not be deemed to give any legal or equitable right, remedy or claim whatsoever to any other person, except to the extent specifically set forth in the Deposit Agreement. Nothing in the Deposit Agreement shall be deemed to give rise to a partnership or joint venture among the parties nor establish a fiduciary or similar relationship among the parties. The parties hereto acknowledge and agree that (i) Citibank and its Affiliates may at any time have multiple banking relationships with the Company, the Holders, the Beneficial Owners, and their respective Affiliates, (ii) Citibank and its Affiliates may be engaged at any time in transactions in which parties adverse to the Company, the Holders, the Beneficial Owners or their respective Affiliates may have interests, (iii) the Depositary and its Affiliates may from time to time have in their possession non-public information about the Company, the Holders, the Beneficial Owners, and their respective Affiliates, (iv) nothing contained in the Deposit Agreement shall (a) preclude Citibank or any of its Affiliates from engaging in such transactions or establishing or maintaining such relationships, (b) obligate Citibank or any of its Affiliates to disclose such information, transactions or relationships, or to account for any profit made or payment received in such transactions or relationships, and (v) the Depositary shall not be deemed to have knowledge of any information any other division of Citibank or any of its Affiliates may have about the Company, the Holders, the Beneficial Owners, or any of their respective Affiliates.

Section 7.3 **Severability.** In case any one or more of the provisions contained in the Deposit Agreement or in the ADRs should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall in no way be affected, prejudiced or disturbed thereby.

Section 7.4 **Holders and Beneficial Owners as Parties; Binding Effect.** The Holders and Beneficial Owners from time to time of ADSs issued hereunder shall be parties to the Deposit Agreement and shall be bound by all of the terms and conditions hereof and of any ADR evidencing their ADSs by acceptance thereof or any beneficial interest therein.

Section 7.5 **Notices.** Any and all notices to be given to the Company shall be deemed to have been duly given if personally delivered or sent by mail, air courier or cable, telex or facsimile transmission, confirmed by letter personally delivered or sent by mail or air courier, addressed to NuCana plc, 10 Lochside Place, Edinburgh, EH12 9RG, United Kingdom, Attention: Hugh S. Griffith, Chief Executive Officer, or to any other address which the Company may specify in writing to the Depositary.

Any and all notices to be given to the Depositary shall be deemed to have been duly given if personally delivered or sent by mail, air courier or cable, telex or facsimile transmission, confirmed by letter personally delivered or sent by mail or air courier, addressed to Citibank, N.A., 388 Greenwich Street, New York, New York 10013, U.S.A., Attention: Depositary Receipts Department, or to any other address which the Depositary may specify in writing to the Company.

Any and all notices to be given to any Holder shall be deemed to have been duly given (a) if personally delivered or sent by mail or cable, telex or facsimile transmission, confirmed by letter, addressed to such Holder at the address of such Holder as it appears on the books of the Depositary or, if such Holder shall have filed with the Depositary a request that notices intended for such Holder be mailed to some other address, at the address specified in such request, or (b) if a Holder shall have designated such means of notification as an acceptable means of notification under the terms of the Deposit Agreement, by means of electronic messaging addressed for delivery to the e-mail address designated by the Holder for such purpose. Notice to Holders shall be deemed to be notice to Beneficial Owners for all purposes of the Deposit Agreement. Failure to notify a Holder or any defect in the notification to a Holder shall not affect the sufficiency of notification to other Holders or to the Beneficial Owners of ADSs held by such other Holders. Any notices given to DTC under the terms of the Deposit Agreement shall (unless otherwise specified by the Depositary) constitute notice to the DTC Participants who hold as the ADSs in their DTC accounts and to the Beneficial Owners of such ADSs.

Delivery of a notice sent by mail, air courier or cable, telex or facsimile transmission shall be deemed to be effective at the time when a duly addressed letter containing the same (or a confirmation thereof in the case of a cable, telex or facsimile transmission) is deposited, postage prepaid, in a post-office letter box or delivered to an air courier service, without regard for the actual receipt or time of actual receipt thereof by a Holder. The Depositary or the Company may, however, act upon any cable, telex or facsimile transmission received by it from any Holder, the Custodian, the Depositary, or the Company, notwithstanding that such cable, telex or facsimile transmission shall not be subsequently confirmed by letter.

Delivery of a notice by means of electronic messaging shall be deemed to be effective at the time of the initiation of the transmission by the sender (as shown on the sender’s records), notwithstanding that the intended recipient retrieves the message at a later date, fails to retrieve such message, or fails to receive such notice on account of its failure to maintain the designated e-mail address, its failure to designate a substitute e-mail address or for any other reason.

Section 7.6 **Governing Law and Jurisdiction.** The Deposit Agreement and the ADRs shall be interpreted in accordance with, and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, the laws of the State of New York applicable

to contracts made and to be wholly performed in that State. Notwithstanding anything contained in the Deposit Agreement, any ADR or any present or future provisions of the laws of the State of New York, the rights of holders of Shares and of any other Deposited Securities and the obligations and duties of the Company in respect of the holders of Shares and other Deposited Securities, as such, shall be governed by the laws of England and Wales (or, if applicable, such other laws as may govern the Deposited Securities).

Except as set forth in the following paragraph of this Section 7.6, the Company and the Depositary agree that the federal or state courts in the City of New York shall have jurisdiction to hear and determine any suit, action or proceeding and to settle any dispute between them that may arise out of or in connection with the Deposit Agreement and, for such purposes, each irrevocably submits to the non-exclusive jurisdiction of such courts. The Company hereby irrevocably designates, appoints and empowers Corporation Service Company (the "Agent") now at 251 Little Falls Drive Wilmington, DE 19808 as its authorized agent to receive and accept for and on its behalf, and on behalf of its properties, assets and revenues, service by mail of any and all legal process, summons, notices and documents that may be served in any suit, action or proceeding brought against the Company in any federal or state court as described in the preceding sentence or in the next paragraph of this Section 7.6. If for any reason the Agent shall cease to be available to act as such, the Company agrees to designate a new agent in New York on the terms and for the purposes of this Section 7.6 reasonably satisfactory to the Depositary. The Company further hereby irrevocably consents and agrees to the service of any and all legal process, summons, notices and documents in any suit, action or proceeding against the Company, by service by mail of a copy thereof upon the Agent (whether or not the appointment of such Agent shall for any reason prove to be ineffective or such Agent shall fail to accept or acknowledge such service), with a copy mailed to the Company by registered or certified air mail, postage prepaid, to its address provided in Section 7.5. The Company agrees that the failure of the Agent to give any notice of such service to it shall not impair or affect in any way the validity of such service or any judgment rendered in any action or proceeding based thereon.

Notwithstanding the foregoing, the Depositary and the Company unconditionally agree that in the event that a Holder or Beneficial Owner brings a suit, action or proceeding against (a) the Company, (b) the Depositary in its capacity as Depositary under the Deposit Agreement or (c) against both the Company and the Depositary, in any such case, in any state or federal court of the United States, and the Depositary or the Company have any claim, for indemnification or otherwise, against each other arising out of the subject matter of such suit, action or proceeding, then the Company and the Depositary may pursue such claim against each other in the state or federal court in the United States in which such suit, action, or proceeding is pending and, for such purposes, the Company and the Depositary irrevocably submit to the non-exclusive jurisdiction of such courts. The Company agrees that service of process upon the Agent in the manner set forth in the preceding paragraph shall be effective service upon it for any suit, action or proceeding brought against it as described in this paragraph.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any actions, suits or proceedings brought in any court as provided in this Section 7.6, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

The Company irrevocably and unconditionally waives, to the fullest extent permitted by law, and agrees not to plead or claim, any right of immunity from legal action, suit or proceeding, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, from execution of judgment, or from any other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, and consents to such relief and enforcement against it, its assets and its revenues in any jurisdiction, in each case with respect to any matter arising out of, or in connection with, the Deposit Agreement, any ADR or the Deposited Property.

EACH OF THE PARTIES TO THE DEPOSIT AGREEMENT (INCLUDING, WITHOUT LIMITATION, EACH HOLDER AND BENEFICIAL OWNER) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY ARISING OUT OF, OR RELATING TO, THE DEPOSIT AGREEMENT, ANY ADR AND ANY TRANSACTIONS CONTEMPLATED THEREIN (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR OTHERWISE).

No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement. The provisions of this Section 7.6 shall survive any termination of the Deposit Agreement, in whole or in part.

Section 7.7 Assignment. Subject to the provisions of Section 5.4, the Deposit Agreement may not be assigned by either the Company or the Depositary.

Section 7.8 Compliance with U.S. Securities Laws. Notwithstanding anything in the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depositary except as would be permitted by Instruction I.A.(1) of the General Instructions to Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

Section 7.9 England and Wales Law References. Any summary of laws and regulations of England and Wales and of the terms of the Company's Articles of Association set forth in the Deposit Agreement have been provided by the Company solely for the convenience of Holders, Beneficial Owners and the Depositary. While such summaries are believed by the Company to be accurate as of the date of the Deposit Agreement, (i) they are summaries and as such may not include all aspects of the materials summarized applicable to a Holder or Beneficial Owner, and (ii) these laws and regulations and the Company's Articles of Association may change after the date of the Deposit Agreement. Neither the Depositary nor the Company has any obligation under the terms of the Deposit Agreement to update any such summaries.

Section 7.10 Titles and References.

(a) Deposit Agreement. All references in the Deposit Agreement to exhibits, articles, sections, subsections, and other subdivisions refer to the exhibits, articles, sections, subsections and other subdivisions of the Deposit Agreement unless expressly provided otherwise. The words "the Deposit Agreement", "herein", "hereof", "hereby", "hereunder", and words of similar import refer to the Deposit Agreement as a whole as in effect at the relevant time between the Company, the Depositary and the Holders and Beneficial Owners of ADSs and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and *vice versa* unless the context otherwise requires. Titles to sections of the Deposit Agreement are included for convenience only and shall be disregarded in construing the language contained in the Deposit Agreement. References to "applicable laws and regulations" shall refer to laws and regulations applicable to ADRs, ADSs or Deposited Property as in effect at the relevant time of determination, unless otherwise required by law or regulation.

(b) ADRs. All references in any ADR(s) to paragraphs, exhibits, articles, sections, subsections, and other subdivisions refer to the paragraphs, exhibits, articles, sections, subsections and other subdivisions of the ADR(s) in question unless expressly provided otherwise. The words "the Receipt", "the ADR", "herein", "hereof", "hereby", "hereunder", and words of similar import used in any ADR refer to the ADR as a whole and as in effect at the relevant time, and not to any particular subdivision unless expressly so limited. Pronouns in masculine, feminine and neuter gender in any ADR shall be construed to include any other gender, and words in the singular form shall be construed to include the plural and *vice versa* unless the context otherwise requires. Titles to paragraphs of any ADR are included for convenience only and shall be disregarded in construing the language contained in the ADR. References to "applicable laws and regulations" shall refer to laws and regulations applicable to ADRs, ADSs or Deposited Property as in effect at the relevant time of determination, unless otherwise required by law or regulation.

IN WITNESS WHEREOF, NUCANA PLC and CITIBANK, N.A. have duly executed the Deposit Agreement as of the day and year first above set forth and all Holders and Beneficial Owners shall become parties hereto upon acceptance by them of ADSs issued in accordance with the terms hereof, or upon acquisition of any beneficial interest therein.

NUCANA PLC

By: _____
Name:
Title:

CITIBANK, N.A.

By: _____
Name:
Title:

EXHIBIT A

[FORM OF ADR]

Number

CUSIP NUMBER:

American Depositary Shares (each American Depositary Share representing the right to receive one (1) fully paid ordinary share, nominal value £0.01 per share)

AMERICAN DEPOSITARY RECEIPT
for
AMERICAN DEPOSITARY SHARES
representing
DEPOSITED ORDINARY SHARES, NOMINAL VALUE £0.01 PER SHARE
of
NUCANA PLC

(Incorporated under the laws of England and Wales)

CITIBANK, N.A., a national banking association organized and existing under the laws of the United States of America, as depositary (the "Depositary"), hereby certifies that is the owner of American Depositary Shares (hereinafter "ADS") representing deposited ordinary shares, nominal value £0.01 per share, including evidence of rights to receive such ordinary shares (the "Shares"), of NuCana plc, a public limited company incorporated under the laws of England and Wales (the "Company"). As of the date of issuance of this ADR, each ADS represents the right to receive one (1) Share deposited under the Deposit Agreement (as hereinafter defined) with the Custodian, which at the date of execution of the Deposit Agreement is Citibank, N.A., London Branch (the "Custodian"). The ADS(s)-to-Share(s) ratio is subject to amendment as provided in Articles IV and VI of the Deposit Agreement. The Depositary's Principal Office is located at 388 Greenwich Street, New York, New York 10013, U.S.A.

(1) The Deposit Agreement. This American Depositary Receipt is one of an issue of American Depositary Receipts ("ADRs"), all issued and to be issued upon the terms and conditions set forth in the Deposit Agreement, dated as of [DATE], 2017 (as amended and supplemented from time to time, the "Deposit Agreement"), by and among the Company, the Depositary, and all Holders and Beneficial Owners from time to time of ADSs issued thereunder. The Deposit Agreement sets forth the rights and obligations of Holders and Beneficial Owners of ADSs and the rights and duties of the Depositary in respect of the Shares deposited thereunder and any and all other Deposited Property (as defined in the Deposit Agreement) from time to time received and held on deposit in respect of the ADSs. Copies of the Deposit Agreement are

on file at the Principal Office of the Depositary and with the Custodian. Each Holder and each Beneficial Owner, upon acceptance of any ADSs (or any interest therein) issued in accordance with the terms and conditions of the Deposit Agreement, shall be deemed for all purposes to (a) be a party to and bound by the terms of the Deposit Agreement and the applicable ADR(s), and (b) appoint the Depositary its attorney-in-fact, with full power to delegate, to act on its behalf and to take any and all actions contemplated in the Deposit Agreement and the applicable ADR(s), to adopt any and all procedures necessary to comply with applicable law and to take such action as the Depositary in its sole discretion may deem necessary or appropriate to carry out the purposes of the Deposit Agreement and the applicable ADR(s), the taking of such actions to be the conclusive determinant of the necessity and appropriateness thereof. The manner in which a Beneficial Owner or Holder holds ADSs (e.g., in a brokerage account vs. as registered holder) may affect the rights and obligations of, the manner in which, and the extent to which services are made available to them pursuant to the terms of the Deposit Agreement. With respect to the foregoing sentence, neither the Depositary nor the Company shall bear any responsibility for any Beneficial Owner or Holder's loss, liability, tax, charge or expense.

The statements made on the face and reverse of this ADR are summaries of certain provisions of the Deposit Agreement and the Articles of Association of the Company (as in effect on the date of the signing of the Deposit Agreement) and are qualified by and subject to the detailed provisions of the Deposit Agreement and the Articles of Association, to which reference is hereby made.

All capitalized terms not defined herein shall have the meanings ascribed thereto in the Deposit Agreement.

The Depositary makes no representation or warranty as to the validity or worth of the Deposited Property. The Depositary has made arrangements for the acceptance of the ADSs into DTC. Each Beneficial Owner of ADSs held through DTC must rely on the procedures of DTC and the DTC Participants to exercise and be entitled to any rights attributable to such ADSs. The Depositary may issue Uncertificated ADSs subject, however, to the terms and conditions of Section 2.13 of the Deposit Agreement.

(2) Surrender of ADSs and Withdrawal of Deposited Securities. The Holder of this ADR (and of the ADSs evidenced hereby) shall be entitled to Delivery (at the Custodian's designated office) of the Deposited Securities at the time represented by the ADSs evidenced hereby upon satisfaction of each of the following conditions: (i) the Holder (or a duly-authorized attorney of the Holder) has duly Delivered to the Depositary at its Principal Office the ADSs evidenced hereby (and if applicable, this ADR) for the purpose of withdrawal of the Deposited Securities represented thereby, (ii) if applicable and so required by the Depositary, this ADR Delivered to the Depositary for such purpose has been properly endorsed in blank or is accompanied by proper instruments of transfer in blank (including signature guarantees in accordance with standard securities industry practice), (iii) if so required by the Depositary, the Holder of the ADSs has executed and delivered to the Depositary a written order directing the Depositary to cause the Deposited Securities being withdrawn to be Delivered to or upon the written order of the person(s) designated in such order, and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges

(as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case,* to the terms and conditions of this ADR evidencing the surrendered ADSs, of the Deposit Agreement, of the Company's Articles of Association and of any applicable laws and the rules of CREST, and to any provisions of or governing the Deposited Securities, in each case as in effect at the time thereof.

Upon satisfaction of each of the conditions specified above, the Depositary (i) shall cancel the ADSs Delivered to it (and, if applicable, this ADR(s) evidencing the ADSs so Delivered), (ii) shall direct the Registrar to record the cancellation of the ADSs so Delivered on the books maintained for such purpose, and (iii) shall direct the Custodian to Deliver, or cause the Delivery of, in each case, without unreasonable delay, the Deposited Securities represented by the ADSs so canceled together with any certificate or other document of title for the Deposited Securities, or evidence of the electronic transfer thereof (if available), as the case may be, to or upon the written order of the person(s) designated in the order delivered to the Depositary for such purpose, *subject however, in each case*, to the terms and conditions of the Deposit Agreement, of this ADR evidencing the ADSs so canceled, of the Articles of Association of the Company, of any applicable laws and of the rules of CREST, and to the terms and conditions of or governing the Deposited Securities, in each case as in effect at the time thereof.

The Depositary shall not accept for surrender ADSs representing less than one (1) Share. In the case of Delivery to it of ADSs representing a number other than a whole number of Shares, the Depositary shall cause ownership of the appropriate whole number of Shares to be Delivered in accordance with the terms hereof, and shall, at the discretion of the Depositary, either (i) return to the person surrendering such ADSs the number of ADSs representing any remaining fractional Share, or (ii) sell or cause to be sold the fractional Share represented by the ADSs so surrendered and remit the proceeds of such sale (net of (a) applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes withheld) to the person surrendering the ADSs.

Notwithstanding anything else contained in this ADR or the Deposit Agreement, the Depositary may make delivery at the Principal Office of the Depositary of Deposited Property consisting of (i) any cash dividends or cash distributions, or (ii) any proceeds from the sale of any non-cash distributions, which are at the time held by the Depositary in respect of the Deposited Securities represented by the ADSs surrendered for cancellation and withdrawal. At the request, risk and expense of any Holder so surrendering ADSs represented by this ADR, and for the account of such Holder, the Depositary shall direct the Custodian to forward (to the extent permitted by law) any Deposited Property (other than Deposited Securities) held by the Custodian in respect of such ADSs to the Depositary for delivery at the Principal Office of the Depositary. Such direction shall be given by letter or, at the request, risk and expense of such Holder, by cable, telex or facsimile transmission.

(3) Transfer, Combination and Split-up of ADRs. The Registrar shall register the transfer of this ADR (and of the ADSs represented hereby) on the books maintained for such purpose and the Depositary shall (x) cancel this ADR and execute new ADRs evidencing the same aggregate number of ADSs as those evidenced by this ADR when canceled by the

Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the person entitled thereto, if each of the following conditions has been satisfied: (i) this ADR has been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a transfer thereof, (ii) this surrendered ADR has been properly endorsed or is accompanied by proper instruments of transfer (including signature guarantees in accordance with standard securities industry practice), (iii) this surrendered ADR has been duly stamped (if required by the laws of the State of New York or of the United States), and (iv) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case*, to the terms and conditions of this ADR, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

The Registrar shall register the split-up or combination of this ADR (and of the ADSs represented hereby) on the books maintained for such purpose and the Depositary shall (x) cancel this ADR and execute new ADRs for the number of ADSs requested, but in the aggregate not exceeding the number of ADSs evidenced by this ADR when canceled by the Depositary, (y) cause the Registrar to countersign such new ADRs and (z) Deliver such new ADRs to or upon the order of the Holder thereof, if each of the following conditions has been satisfied: (i) this ADR has been duly Delivered by the Holder (or by a duly authorized attorney of the Holder) to the Depositary at its Principal Office for the purpose of effecting a split-up or combination hereof, and (ii) all applicable fees and charges of, and expenses incurred by, the Depositary and all applicable taxes and governmental charges (as are set forth in Section 5.9 of, and Exhibit B to, the Deposit Agreement) have been paid, *subject, however, in each case*, to the terms and conditions of this ADR, of the Deposit Agreement and of applicable law, in each case as in effect at the time thereof.

(4) Pre-Conditions to Registration, Transfer, Etc. As a condition precedent to the execution and delivery, the registration of issuance, transfer, split-up, combination or surrender, of any ADS, the delivery of any distribution thereon, or the withdrawal of any Deposited Property, the Depositary or the Custodian may require (i) payment from the depositor of Shares or presenter of ADSs or of this ADR of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees and charges of the Depositary as provided in Section 5.9 and Exhibit B to the Deposit Agreement and in this ADR, (ii) the production of proof satisfactory to it as to the identity and genuineness of any signature or any other matter contemplated by Section 3.1 of the Deposit Agreement, and (iii) compliance with (A) any laws or governmental regulations relating to the execution and delivery of this ADR or ADSs or to the withdrawal of Deposited Securities and (B) such reasonable regulations as the Depositary and the Company may establish consistent with the provisions of this ADR, if applicable, the Deposit Agreement and applicable law. If satisfaction of any condition precedent referred to above would involve an unlawful payment by the Company under the applicable laws of England and Wales, the Company and the Depositary shall reasonably cooperate to determine if there is a mutually agreeable lawful alternative, provided, that in no event shall the Company be required to make any unlawful payment, provided further, that in no event shall the Depositary be required to effect any transaction until it receives applicable payments with respect thereto, as provided herein and in the Deposit Agreement.

The issuance of ADSs against deposits of Shares generally or against deposits of particular Shares may be suspended, or the deposit of particular Shares may be refused, or the registration of transfer of ADSs in particular instances may be refused, or the registration of transfers of ADSs generally may be suspended, during any period when the transfer books of the Company, the Depositary, a Registrar or the Share Registrar are closed or if any such action is deemed necessary or advisable by the Depositary or the Company, in good faith, at any time or from time to time because of any requirement of law or regulation, any government or governmental body or commission or any securities exchange on which the ADSs or Shares are listed, or under any provision of the Deposit Agreement or this ADR, if applicable, or under any provision of, or governing, the Deposited Securities, or because of a meeting of shareholders of the Company or for any other reason, subject, in all cases, to paragraph (25) of this ADR and Section 7.8 of the Deposit Agreement. Notwithstanding any provision of the Deposit Agreement or this ADR to the contrary, Holders are entitled to surrender outstanding ADSs to withdraw the Deposited Securities associated herewith at any time subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the deposit of Shares in connection with voting at a shareholders' meeting or the payment of dividends, (ii) the payment of fees, taxes and similar charges, (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the ADSs or to the withdrawal of the Deposited Securities, and (iv) other circumstances specifically contemplated by Instruction I.A.(l) of the General Instructions to Form F-6 (as such General Instructions may be amended from time to time).

(5) Compliance with Information Requests. Notwithstanding any other provision of the Deposit Agreement or this ADR, each Holder and Beneficial Owner of the ADSs represented hereby agrees to comply with requests from the Company pursuant to applicable law, the rules and requirements of The NASDAQ Global Market and any other stock exchange on which the Shares or ADSs are, or will be, registered, traded or listed or the Articles of Association of the Company, which are made to provide information, *inter alia*, as to the capacity in which such Holder or Beneficial Owner owns ADSs (and the Shares represented by such ADSs, as the case may be) and regarding the identity of any other person(s) interested in such ADSs (and the Shares represented by such ADSs, as the case may be) and the nature of such interest and various other matters, whether or not they are Holders and/or Beneficial Owners at the time of such request. The Depositary agrees to use its reasonable efforts to forward, upon the request of the Company and at the Company's expense, any such request from the Company to the Holders and to forward to the Company any such responses to such requests received by the Depositary.

(6) Ownership Restrictions. Notwithstanding any other provision of this ADR or of the Deposit Agreement, the Company may restrict transfers of the Shares where such transfer might result in ownership of Shares exceeding limits imposed by applicable law or the Articles of Association of the Company. The Company may also restrict, in such manner as it deems appropriate, transfers of the ADSs where such transfer may result in the total number of Shares represented by the ADSs owned by a single Holder or Beneficial Owner to exceed any such limits. The Company may, in its sole discretion but subject to applicable law, instruct the Depositary to take action with respect to the ownership interest of any Holder or Beneficial

Owner in excess of the limits set forth in the preceding sentence, including, but not limited to, the imposition of restrictions on the transfer of ADSs, the removal or limitation of voting rights or the mandatory sale or disposition on behalf of a Holder or Beneficial Owner of the Shares represented by the ADSs held by such Holder or Beneficial Owner in excess of such limitations, if and to the extent such disposition is permitted by applicable law and the Articles of Association of the Company. Nothing herein or in the Deposit Agreement shall be interpreted as obligating the Depositary or the Company to ensure compliance with the ownership restrictions described herein or in Section 3.5 of the Deposit Agreement.

(7) Reporting Obligations and Regulatory Approvals. Applicable laws and regulations may require holders and beneficial owners of Shares, including the Holders and Beneficial Owners of ADSs, to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. Holders and Beneficial Owners of ADSs are solely responsible for determining and complying with such reporting requirements and obtaining such approvals. Each Holder and each Beneficial Owner hereby agrees to make such determination, file such reports, and obtain such approvals to the extent and in the form required by applicable laws and regulations as in effect from time to time. Neither the Depositary, the Custodian, the Company or any of their respective agents or affiliates shall be required to take any actions whatsoever on behalf of Holders or Beneficial Owners to determine or satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

(8) Liability for Taxes and Other Charges. Any tax or other governmental charge payable by the Custodian or by the Depositary with respect to any Deposited Property, ADSs or this ADR shall be payable by the Holders and Beneficial Owners to the Depositary. The Company, the Custodian and/or the Depositary may withhold or deduct from any distributions made in respect of Deposited Property, and may sell for the account of a Holder and/or Beneficial Owner any or all of the Deposited Property and apply such distributions and sale proceeds in payment of, any taxes (including applicable interest and penalties) or charges that are or may be payable by Holders or Beneficial Owners in respect of the ADSs, Deposited Property and this ADR, the Holder and the Beneficial Owner hereof remaining liable for any deficiency. The Custodian may refuse the deposit of Shares and the Depositary may refuse to issue ADSs, to deliver ADRs, to register the transfer of ADSs, to register the split-up or combination of ADRs and (subject to paragraph (25) of this ADR and Section 7.8 of the Deposit Agreement) the withdrawal of Deposited Property until payment in full of such tax, charge, penalty or interest is received. Every Holder and Beneficial Owner agrees to indemnify the Depositary, the Company, the Custodian, and any of their agents, officers, employees and Affiliates for, and to hold each of them harmless from, any claims with respect to taxes (including applicable interest and penalties thereon) arising from any tax benefit obtained for such Holder and/or Beneficial Owner. The obligations of Holders and Beneficial Owners under Section 3.2 of the Deposit Agreement shall survive any transfer of ADSs, any cancellation of ADSs and withdrawal of Deposited Securities, and the termination of the Deposit Agreement.

(9) Representations and Warranties on Deposit of Shares. Each person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that (i) such Shares and the certificates therefor are duly authorized, validly allotted and issued, fully paid, not subject to any call for the payment of further capital and legally obtained by such person, (ii) all preemptive (and similar) rights, if any, with respect to such Shares have been

validly waived, disapplied or exercised, (iii) the person making such deposit is duly authorized so to do, (iv) the Shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, (v) the Shares presented for deposit are not, and the ADSs issuable upon such deposit will not be, Restricted Securities (except as contemplated in Section 2.14 of the Deposit Agreement), and (vi) the Shares presented for deposit have not been stripped of any rights or entitlements. Such representations and warranties shall survive the deposit and withdrawal of Shares, the issuance and cancellation of ADSs in respect thereof and the transfer of such ADSs. If any such representations or warranties are false in any way, the Company and the Depositary shall be authorized, at the cost and expense of the person depositing Shares, to take any and all actions necessary to correct the consequences thereof.

(10) Proofs, Certificates and Other Information. Any person presenting Shares for deposit, any Holder and any Beneficial Owner may be required, and every Holder and Beneficial Owner agrees, from time to time to provide to the Depositary and the Custodian such proof of citizenship or residence, taxpayer status, payment of all applicable taxes or other governmental charges relating to that person, exchange control approval, legal or beneficial ownership of ADSs and Deposited Property, compliance with applicable laws, the terms of the Deposit Agreement or this ADR evidencing the ADSs and the provisions of, or governing, the Deposited Property, to execute such certifications and to make such representations and warranties, and to provide such other information and documentation (or, in the case of Shares in registered form presented for deposit, such information relating to the registration on the books of the Company or of the Share Registrar) as the Depositary or the Custodian may deem necessary or proper or as the Company may reasonably require by written request to the Depositary consistent with its obligations under the Deposit Agreement and this ADR. The Depositary and the Registrar, as applicable, may withhold the execution or delivery or registration of transfer of any ADR or ADS or the distribution or sale of any dividend or distribution of rights or of the proceeds thereof or, to the extent not limited by paragraph (25) and the terms of Section 7.8 of the Deposit Agreement, the delivery of any Deposited Property until such proof or other information is filed or such certifications are executed, or such representations and warranties are made, or such other documentation or information is provided, in each case to the Depositary's, the Registrar's and the Company's satisfaction. The Depositary shall provide the Company, in a timely manner, with copies or originals if necessary and appropriate of (i) any such proofs of citizenship or residence, taxpayer status, or exchange control approval or copies of written representations and warranties which it receives from Holders and Beneficial Owners, and (ii) any other information or documents which the Company may reasonably request and which the Depositary shall request and receive from any Holder or Beneficial Owner or any person presenting Shares for deposit or ADSs for cancellation, transfer or withdrawal. Nothing herein shall obligate the Depositary to (i) obtain any information for the Company if not provided by the Holders or Beneficial Owners, or (ii) verify or vouch for the accuracy of the information so provided by the Holders or Beneficial Owners.

(11) ADS Fees and Charges. The following ADS fees are payable under the terms of the Deposit Agreement:

(i) ADS Issuance Fee: by any person to whom the ADSs are issued (*e.g.*, an issuance of ADSs upon a deposit of Shares, upon a change in the ADS(s)-

to-Share(s) ratio, or for any other reason), excluding ADS issuances described in paragraph (iv) below, a fee not in excess of U.S. $5.00 per 100 ADSs (or fraction thereof) issued under the terms of the Deposit Agreement;

(ii) ADS Cancellation Fee: by any person whose ADSs are being cancelled (*e.g.*, a cancellation of ADSs for delivery of Deposited Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason), a fee not in excess of U.S. $5.00 per 100 ADSs (or fraction thereof) cancelled;

(iii) Cash Distribution Fee: by any Holder of ADSs, a fee not in excess of U.S. $5.00 per 100 ADSs (or fraction thereof) held for the distribution of cash dividends or other cash distributions (*e.g.*, upon sale of rights and other entitlements);

(iv) Stock Distribution /Rights Exercise Fee: by any Holder of ADS(s), a fee not in excess of U.S. $5.00 per 100 ADSs (or fraction thereof) held for the distribution of ADSs pursuant to (a) stock dividends or other free stock distributions or (b) the exercise of rights to purchase additional ADSs;

(v) Other Distribution Fee: by any Holder of ADS(s), a fee not in excess of U.S. $5.00 per 100 ADSs (or fraction thereof) held for the distribution of securities other than ADSs or rights to purchase additional ADSs (*e.g.*, spin-off shares); and

(vi) Depositary Services Fee: by any Holder of ADS(s), a fee not in excess of U.S. $5.00 per 100 ADSs (or fraction thereof) held on the applicable record date(s) established by the Depositary.

The Company, Holders, Beneficial Owners, persons receiving ADSs upon issuance, and persons whose ADSs are being cancelled shall be responsible for the following ADS charges under the terms of the Deposit Agreement:

(a) taxes (including applicable interest and penalties) and other governmental charges;

(b) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities on the share register and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depositary or any nominees upon the making of deposits and withdrawals, respectively;

(c) such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the person depositing Shares or withdrawing Deposited Securities or of the Holders and Beneficial Owners of ADSs;

(d) the expenses and charges incurred by the Depositary in the conversion of foreign currency;

(e) such fees and expenses as are incurred by the Depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to Shares, Deposited Securities, ADSs and ADRs; and

(f) the fees and expenses incurred by the Depositary, the Custodian, or any nominee in connection with the delivery or servicing of Deposited Property.

All ADS fees and charges so payable may be deducted from distributions or must be remitted to the Depositary, or its designee, may be waived by the Depositary in full or in part with respect to some or all ADSs upon such terms, and subject to such conditions, as the Depositary may determine and may, at any time and from time to time, be changed by agreement between the Depositary and the Company, but, in the case of ADS fees and charges payable by Holders and Beneficial Owners, only in the manner contemplated by paragraph (23) of this ADR and as contemplated in Section 6.1 of the Deposit Agreement. The Depositary shall provide, without charge, a copy of its latest ADS fee schedule to anyone upon request.

ADS fees and charges payable upon (i) the issuance of ADSs and (ii) the cancellation of ADSs will be payable by the person to whom the ADSs are so issued by the Depositary (in the case of ADS issuances) and by the person whose ADSs are being cancelled (in the case of ADS cancellations). In the case of ADSs issued by the Depositary into DTC or presented to the Depositary via DTC, the ADS issuance and cancellation fees and charges will be payable by the DTC Participant(s) receiving the ADSs from the Depositary or the DTC Participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the Beneficial Owner(s) and will be charged by the DTC Participant(s) to the account(s) of the applicable Beneficial Owner(s) in accordance with the procedures and practices of the DTC Participant(s) as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are payable by Holders as of the applicable ADS Record Date established by the Depositary. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, the applicable Holders as of the ADS Record Date established by the Depositary will be invoiced for the amount of the ADS fees and charges and such ADS fees may be deducted from distributions made to Holders. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC Participants in accordance with the procedures and practices prescribed by DTC from time to time and the DTC Participants in turn charge the amount of such ADS fees and charges to the Beneficial Owners for whom they hold ADSs.

The Depositary may reimburse the Company for certain expenses incurred by the Company in respect of the ADR program established pursuant to the Deposit Agreement, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as the Company and the Depositary agree from time to time. The Company shall pay to the Depositary such fees and charges, and reimburse the Depositary for such out-of-pocket expenses, as the Depositary and the Company may agree from time to time. Responsibility for payment of such fees, charges and reimbursements may from time to time be changed by agreement between the Company and the Depositary. Unless otherwise agreed, the Depositary shall present its statement for such fees, charges and reimbursements to the Company once every three months. The charges and expenses of the Custodian are for the sole account of the Depositary.

The obligations of Holders and Beneficial Owners to pay ADS fees and charges shall survive the termination of the Deposit Agreement. As to any Depositary, upon the resignation or removal of such Depositary as described in Section 5.4 of the Deposit Agreement, the right to collect ADS fees and charges shall extend for those ADS fees and charges incurred prior to the effectiveness of such resignation or removal.

(12) Title to ADRs. Subject to the limitations contained in the Deposit Agreement and in this ADR, it is a condition of this ADR, and every successive Holder of this ADR by accepting or holding the same consents and agrees, that title to this ADR (and to each Certificated ADS evidenced hereby) shall be transferable upon the same terms as a certificated security under the laws of the State of New York, provided that, in the case of Certificated ADSs, this ADR has been properly endorsed or is accompanied by proper instruments of transfer. Notwithstanding any notice to the contrary, the Depositary and the Company may deem and treat the Holder of this ADR (that is, the person in whose name this ADR is registered on the books of the Depositary) as the absolute owner thereof for all purposes. Neither the Depositary nor the Company shall have any obligation nor be subject to any liability under the Deposit Agreement or this ADR to any holder of this ADR or any Beneficial Owner unless, in the case of a holder of ADSs, such holder is the Holder of this ADR registered on the books of the Depositary or, in the case of a Beneficial Owner, such Beneficial Owner, or the Beneficial Owner's representative, is the Holder registered on the books of the Depositary.

(13) Validity of ADR. The Holder(s) of this ADR (and the ADSs represented hereby) shall not be entitled to any benefits under the Deposit Agreement or be valid or enforceable for any purpose against the Depositary or the Company unless this ADR has been (i) dated, (ii) signed by the manual or facsimile signature of a duly-authorized signatory of the Depositary, (iii) countersigned by the manual or facsimile signature of a duly-authorized signatory of the Registrar, and (iv) registered in the books maintained by the Registrar for the registration of issuances and transfers of ADRs. An ADR bearing the facsimile signature of a duly-authorized signatory of the Depositary or the Registrar, who at the time of signature was a duly authorized signatory of the Depositary or the Registrar, as the case may be, shall bind the Depositary, notwithstanding the fact that such signatory has ceased to be so authorized prior to the delivery of such ADR by the Depositary.

(14) Available Information; Reports; Inspection of Transfer Books. The Company is subject to the periodic reporting requirements of the Exchange Act and, accordingly, is required to file or furnish certain reports with the Commission. These reports can be retrieved from the Commission's website (www.sec.gov) and can be inspected and copied at the public reference facilities maintained by the Commission located (as of the date of the Deposit Agreement) at 100 F Street, N.E., Washington D.C. 20549.

The Depositary shall make available for inspection by Holders at its Principal Office any reports and communications, including any proxy soliciting materials, received from the Company which are both (a) received by the Depositary, the Custodian, or the nominee of either of them as the holder of the Deposited Property and (b) made generally available to the holders of such Deposited Property by the Company. The Depositary shall also provide or make available to Holders copies of such reports when furnished by the Company pursuant to Section 5.6 of the Deposit Agreement.

Until termination of the Deposit Agreement in accordance with its terms, the Registrar shall maintain in the Borough of Manhattan, the City of New York, an office and facilities for the issuance and delivery of ADSs, the acceptance for surrender of ADS(s) for the purpose of withdrawal of Deposited Securities, the registration of issuances, cancellations, transfers, combinations and split-ups of ADS(s) and, if applicable, to countersign ADRs evidencing the ADSs so issued, transferred, combined or split-up, in each case in accordance with the provisions of the Deposit Agreement.

The Registrar shall keep books for the registration of ADSs which at all reasonable times shall be open for inspection by the Company and by the Holders of such ADSs, provided that such inspection shall not be, to the Registrar's knowledge, for the purpose of communicating with Holders of such ADSs in the interest of a business or object other than the business of the Company or other than a matter related to the Deposit Agreement or the ADSs.

The Registrar may close the transfer books with respect to the ADSs, at any time or from time to time, when deemed necessary or advisable by it in good faith in connection with the performance of its duties hereunder, or at the reasonable written request of the Company subject, in all cases, to paragraph (25) and Section 7.8 of the Deposit Agreement.

Dated:

CITIBANK, N.A.
Transfer Agent and Registrar

By: _____
Authorized Signatory

CITIBANK, N.A.
as Depositary

By: _____
Authorized Signatory

The address of the Principal Office of the Depositary is 388 Greenwich Street, New York, New York 10013, U.S.A.

[FORM OF REVERSE OF ADR]

SUMMARY OF CERTAIN ADDITIONAL PROVISIONS

OF THE DEPOSIT AGREEMENT

(15) Dividends and Distributions in Cash, Shares, etc. (a) ***Cash Distributions:*** Whenever the Company intends to make a distribution of a cash dividend or other cash distribution in respect of any Deposited Securities, the Company shall give notice thereof to the Depositary at least twenty (20) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution specifying, *inter alia*, the record date applicable for determining the holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice, the Depositary shall establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement. Upon receipt of confirmation of the receipt of (x) any cash dividend or other cash distribution on any Deposited Securities, or (y) proceeds from the sale of any Deposited Property held in respect of the ADSs under the terms of the Deposit Agreement, the Depositary will (i) if at the time of receipt thereof any amounts received in a Foreign Currency can, in the judgment of the Depositary (pursuant to Section 4.8 of the Deposit Agreement), be converted on a practicable basis into Dollars transferable to the United States, promptly convert or cause to be converted such cash dividend, distribution or proceeds into Dollars (on the terms described in Section 4.8 of the Deposit Agreement), (ii) if applicable and unless previously established, establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement, and (iii) distribute promptly the amount thus received (net of (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes withheld) to the Holders entitled thereto as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date. The Depositary shall distribute only such amount, however, as can be distributed without attributing to any Holder a fraction of one cent, and any balance not so distributed shall be held by the Depositary (without liability for interest thereon) and shall be added to and become part of the next sum received by the Depositary for distribution to Holders of ADSs outstanding at the time of the next distribution. If the Company, the Custodian or the Depositary is required to withhold and does withhold from any cash dividend or other cash distribution in respect of any Deposited Securities, or from any cash proceeds from the sales of Deposited Property, an amount on account of taxes, duties or other governmental charges, the amount distributed to Holders on the ADSs shall be reduced accordingly. Such withheld amounts shall be forwarded by the Company, the Custodian or the Depositary to the relevant governmental authority. Evidence of payment thereof by the Company shall be forwarded by the Company to the Depositary upon request. The Depositary will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable Holders and Beneficial Owners of ADSs until the distribution can be effected or the funds that the Depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for in Section 4.1 of the Deposit Agreement, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.1 of the Deposit Agreement, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform

the actions contemplated in Section 4.1 of the Deposit Agreement where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

(b) ***Share Distributions:*** Whenever the Company intends to make a distribution that consists of a dividend in, or free distribution of, Shares, the Company shall give notice thereof to the Depositary at least twenty (20) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution, specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such distribution. Upon the timely receipt of such notice from the Company, the Depositary shall establish the ADS Record Date upon the terms described in Section 4.9 of the Deposit Agreement. Upon receipt of confirmation from the Custodian of the receipt of the Shares so distributed by the Company, the Depositary shall either (i) subject to Section 5.9 of the Deposit Agreement, distribute to the Holders as of the ADS Record Date in proportion to the number of ADSs held as of the ADS Record Date, additional ADSs, which represent in the aggregate the number of Shares received as such dividend, or free distribution, subject to the other terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes), or (ii) if additional ADSs are not so distributed, take all actions necessary so that each ADS issued and outstanding after the ADS Record Date shall, to the extent permissible by law, thenceforth also represent rights and interests in the additional integral number of Shares distributed upon the Deposited Securities represented thereby (net of (a) the applicable fees and charges of, and expenses incurred by, the Depositary and (b) applicable taxes). In lieu of delivering fractional ADSs, the Depositary shall sell the number of Shares or ADSs, as the case may be, represented by the aggregate of such fractions and distribute the net proceeds upon the terms described in Section 4.1 of the Deposit Agreement. In the event that the Depositary determines that any distribution in property (including Shares) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, or, if the Company in the fulfillment of its obligations under Section 5.7 of the Deposit Agreement, has furnished an opinion of U.S. counsel determining that Shares must be registered under the Securities Act or other laws in order to be distributed to Holders (and no such registration statement has been declared effective), the Depositary may dispose of all or a portion of such property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable, and the Depositary shall distribute the net proceeds of any such sale (after deduction of (a) applicable taxes and (b) fees and charges of, and expenses incurred by, the Depositary) to Holders entitled thereto upon the terms described in Section 4.1 of the Deposit Agreement. The Depositary shall hold and/or distribute any unsold balance of such property in accordance with the provisions of the Deposit Agreement. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for above, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.2 of the Deposit Agreement, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in Section 4.2 of the Deposit Agreement where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

(c) ***Elective Distributions in Cash or Shares:*** Whenever the Company intends to make a distribution payable at the election of the holders of Deposited Securities in cash or in additional Shares, the Company shall give notice thereof to the Depositary at least sixty (60) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution specifying, *inter alia*, the record date applicable to holders of Deposited Securities entitled to receive such elective distribution and whether or not it wishes such elective distribution to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such elective distribution to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall assist the Depositary in its determination, whether it is lawful and reasonably practicable to make such elective distribution available to the Holders of ADSs. The Depositary shall make such elective distribution available to Holders only if (i) the Company shall have timely requested that the elective distribution be made available to Holders, (ii) the Depositary shall have determined that such distribution is reasonably practicable and (iii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement. If the above conditions are not satisfied or if the Company requests such elective distribution not to be made available to Holders of ADSs, the Depositary shall establish the ADS Record Date on the terms described in Section 4.9 of the Deposit Agreement and, to the extent permitted by law, distribute to the Holders, on the basis of the same determination as is made in England and Wales in respect of the Shares for which no election is made, either (X) cash upon the terms described in Section 4.1 of the Deposit Agreement or (Y) additional ADSs representing such additional Shares upon the terms described in Section 4.2 of the Deposit Agreement. If the above conditions are satisfied, the Depositary shall establish an ADS Record Date on the terms described in Section 4.9 of the Deposit Agreement and establish procedures to enable Holders to elect the receipt of the proposed distribution in cash or in additional ADSs. The Company shall assist the Depositary in establishing such procedures to the extent necessary. If a Holder elects to receive the proposed distribution (X) in cash, the distribution shall be made upon the terms described in Section 4.1 of the Deposit Agreement, or (Y) in ADSs, the distribution shall be made upon the terms described in Section 4.2 of the Deposit Agreement. Nothing herein or in the Deposit Agreement shall obligate the Depositary to make available to Holders a method to receive the elective distribution in Shares (rather than ADSs). There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive elective distributions on the same terms and conditions as the holders of Shares. Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed distribution provided for in Section 4.3 of the Deposit Agreement, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.3 of the Deposit Agreement, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in Section 4.3 of the Deposit Agreement where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

(d) ***Distribution of Rights to Purchase Additional ADSs:*** Whenever the Company intends to distribute to the holders of the Deposited Securities rights to subscribe for additional Shares, the Company shall give notice thereof to the Depositary at least sixty (60) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the proposed distribution specifying, *inter alia*, the record date applicable to holders of

Deposited Securities entitled to receive such distribution and whether or not it wishes such rights to be made available to Holders of ADSs. Upon the timely receipt of a notice indicating that the Company wishes such rights to be made available to Holders of ADSs, the Depositary shall consult with the Company to determine, and the Company shall assist the Depositary in its determination, whether it is lawful and reasonably practicable to make such rights available to the Holders. The Depositary shall make such rights available to Holders only if (i) the Company shall have timely requested that such rights be made available to Holders, (ii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, and (iii) the Depositary shall have determined that such distribution of rights is reasonably practicable. In the event any of the conditions set forth above are not satisfied or if the Company requests that the rights not be made available to Holders of ADSs, the Depositary shall proceed with the sale of the rights as contemplated in Section 4.4(b) of the Deposit Agreement. In the event all conditions set forth above are satisfied, the Depositary shall establish the ADS Record Date (upon the terms described in Section 4.9 of the Deposit Agreement) and establish procedures to (x) distribute rights to purchase additional ADSs (by means of warrants or otherwise), (y) enable the Holders to exercise such rights (upon payment of the subscription price and of the applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes), and (z) deliver ADSs upon the valid exercise of such rights. The Company shall assist the Depositary to the extent necessary in establishing such procedures. Nothing herein or in the Deposit Agreement shall obligate the Depositary to make available to the Holders a method to exercise rights to subscribe for Shares (rather than ADSs).

If (i) the Company does not timely request the Depositary to make the rights available to Holders or requests that the rights not be made available to Holders, (ii) the Depositary fails to receive satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, or determines it is not reasonably practicable to make the rights available to Holders, or (iii) any rights made available are not exercised and appear to be about to lapse, the Depositary shall determine whether it is lawful and reasonably practicable to sell such rights, in a riskless principal capacity, at such place and upon such terms (including public or private sale) as it may deem practicable. The Company shall assist the Depositary to the extent necessary to determine such legality and practicability. The Depositary shall, upon such sale, convert and distribute proceeds of such sale (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) upon the terms hereof and of Section 4.1 of the Deposit Agreement.

If the Depositary is unable to make any rights available to Holders upon the terms described in Section 4.4(a) of the Deposit Agreement or to arrange for the sale of the rights upon the terms described in Section 4.4(b) of the Deposit Agreement, the Depositary shall allow such rights to lapse.

The Depositary shall not be liable for (i) any failure to accurately determine whether it may be lawful or practicable to make such rights available to Holders in general or any Holders in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale, or exercise, or (iii) the content of any materials forwarded to the Holders on behalf of the Company in connection with the rights distribution.

Notwithstanding anything herein or in Section 4.4 of the Deposit Agreement to the contrary, if registration (under the Securities Act or any other applicable law) of the rights or the

securities to which any rights relate may be required in order for the Company to offer such rights or such securities to Holders and to sell the securities represented by such rights, the Depositary will not distribute such rights to the Holders (i) unless and until a registration statement under the Securities Act (or other applicable law) covering such offering is in effect or (ii) unless the Company furnishes the Depositary opinion(s) of counsel for the Company in the United States and counsel to the Company in any other applicable country in which rights would be distributed, in each case satisfactory to the Depositary, to the effect that the offering and sale of such securities to Holders and Beneficial Owners are exempt from, or do not require registration under, the provisions of the Securities Act or any other applicable laws.

In the event that the Company, the Depositary or the Custodian shall be required to withhold and does withhold from any distribution of Deposited Property (including rights) an amount on account of taxes or other governmental charges, the amount distributed to the Holders of ADSs shall be reduced accordingly. In the event that the Depositary determines that any distribution of Deposited Property (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charges which the Depositary is obligated to withhold, the Depositary may dispose of all or a portion of such Deposited Property (including Shares and rights to subscribe therefor) in such amounts and in such manner, including by public or private sale, as the Depositary deems necessary and practicable to pay any such taxes or charges.

There can be no assurance that Holders generally, or any Holder in particular, will be given the opportunity to receive or exercise rights on the same terms and conditions as the holders of Shares or be able to exercise such rights. Nothing herein or in the Deposit Agreement shall obligate the Company to file any registration statement in respect of any rights or Shares or other securities to be acquired upon the exercise of such rights.

(e) ***Distributions Other Than Cash, Shares or Rights to Purchase Shares:*** Whenever the Company intends to distribute to the holders of Deposited Securities property other than cash, Shares or rights to purchase additional Shares, the Company shall give timely notice thereof to the Depositary and shall indicate whether or not it wishes such distribution to be made to Holders of ADSs. Upon receipt of a notice indicating that the Company wishes such distribution to be made to Holders of ADSs, the Depositary shall consult with the Company, and the Company shall assist the Depositary, to determine whether such distribution to Holders is lawful and reasonably practicable. The Depositary shall not make such distribution unless (i) the Company shall have requested the Depositary to make such distribution to Holders, (ii) the Depositary shall have received satisfactory documentation within the terms of Section 5.7 of the Deposit Agreement, and (iii) the Depositary shall have determined that such distribution is reasonably practicable. Upon satisfaction of such conditions, the Depositary shall distribute the property so received to the Holders of record, as of the ADS Record Date, in proportion to the number of ADSs held by them respectively and in such manner as the Depositary may deem practicable for accomplishing such distribution (i) upon receipt of payment or net of the applicable fees and charges of, and expenses incurred by, the Depositary, and (ii) net of any applicable taxes withheld. The Depositary may dispose of all or a portion of the property so distributed and deposited, in such amounts and in such manner (including public or private sale) as the Depositary may deem practicable or necessary to satisfy any taxes (including applicable interest and penalties) or other governmental charges applicable to the distribution.

If the conditions above are not satisfied, the Depositary shall sell or cause such property to be sold in a public or private sale, at such place or places and upon such terms as it may deem practicable and shall (i) cause the proceeds of such sale, if any, to be converted into Dollars and (ii) distribute the proceeds of such conversion received by the Depositary (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) to the Holders as of the ADS Record Date upon the terms hereof and of the Deposit Agreement. If the Depositary is unable to sell such property, the Depositary may dispose of such property for the account of the Holders in any way it deems reasonably practicable under the circumstances.

Neither the Depositary nor the Company shall be liable for (i) any failure to accurately determine whether it is lawful or practicable to make the property described in Section 4.5 of the Deposit Agreement available to Holders in general or any Holders in particular, nor (ii) any loss incurred in connection with the sale or disposal of such property.

(16) Redemption. If the Company intends to exercise any right of redemption in respect of any of the Deposited Securities, the Company shall give notice thereof to the Depositary at least sixty (60) days (or such other number of days as mutually agreed to in writing by the Depositary and the Company) prior to the intended date of redemption which notice shall set forth the particulars of the proposed redemption. Upon timely receipt of (i) such notice and (ii) satisfactory documentation given by the Company to the Depositary within the terms of Section 5.7 of the Deposit Agreement, and only if the Depositary shall have determined that such proposed redemption is practicable, the Depositary shall provide to each Holder a notice setting forth the intended exercise by the Company of the redemption rights and any other particulars set forth in the Company's notice to the Depositary. The Depositary shall instruct the Custodian to present to the Company the Deposited Securities in respect of which redemption rights are being exercised against payment of the applicable redemption price. Upon receipt of confirmation from the Custodian that the redemption has taken place and that funds representing the redemption price have been received, the Depositary shall convert, transfer, and distribute the proceeds (net of applicable (a) fees and charges of, and the expenses incurred by, the Depositary, and (b) taxes), retire ADSs and cancel ADRs, if applicable, upon delivery of such ADSs by Holders thereof and the terms set forth in Sections 4.1 and 6.2 of the Deposit Agreement. If less than all outstanding Deposited Securities are redeemed, the ADSs to be retired will be selected by lot or on a pro rata basis, as may be determined by the Depositary. The redemption price per ADS shall be the dollar equivalent of the per share amount received by the Depositary (adjusted to reflect the ADS(s)-to-Share(s) ratio) upon the redemption of the Deposited Securities represented by ADSs (subject to the terms of Section 4.8 of the Deposit Agreement and the applicable fees and charges of, and expenses incurred by, the Depositary, and applicable taxes) multiplied by the number of Deposited Securities represented by each ADS redeemed.

Notwithstanding anything contained in the Deposit Agreement to the contrary, in the event the Company fails to give the Depositary timely notice of the proposed redemption provided for in Section 4.7 of the Deposit Agreement, the Depositary agrees to use commercially reasonable efforts to perform the actions contemplated in Section 4.7 of the Deposit Agreement, and the Company, the Holders and the Beneficial Owners acknowledge that the Depositary shall have no liability for the Depositary's failure to perform the actions contemplated in Section 4.7 of the Deposit Agreement where such notice has not been so timely given, other than its failure to use commercially reasonable efforts, as provided herein.

(17) Fixing of ADS Record Date. Whenever the Depositary shall receive notice of the fixing of a record date by the Company for the determination of holders of Deposited Securities entitled to receive any distribution (whether in cash, Shares, rights, or other distribution), or whenever for any reason the Depositary causes a change in the number of Shares that are represented by each ADS, or whenever the Depositary shall receive notice of any meeting of, or solicitation of consents or proxies of, holders of Shares or other Deposited Securities, or whenever the Depositary shall find it necessary or convenient in connection with the giving of any notice, solicitation of any consent or any other matter, the Depositary shall fix the record date (the "ADS Record Date") for the determination of the Holders of ADS(s) who shall be entitled to receive such distribution, to give instructions for the exercise of voting rights at any such meeting, to give or withhold such consent, to receive such notice or solicitation or to otherwise take action, or to exercise the rights of Holders with respect to such changed number of Shares represented by each ADS. The Depositary shall make reasonable efforts to establish the ADS Record Date as closely as practicable to the applicable record date for the Deposited Securities (if any) set by the Company in England and Wales and shall not announce the establishment of any ADS Record Date prior to the relevant corporate action having been made public by the Company (if such corporate action affects the Deposited Securities). Subject to applicable law, the provisions of Section 4.1 through 4.8 of the Deposit Agreement and to the other terms and conditions of the Deposit Agreement, only the Holders of ADSs at the close of business in New York on such ADS Record Date shall be entitled to receive such distribution, to give such voting instructions, to receive such notice or solicitation, or otherwise take action.

(18) Voting of Deposited Securities. As soon as practicable after receipt of notice of any meeting at which the holders of Deposited Securities are entitled to vote, or of solicitation of consents or proxies from holders of Deposited Securities, the Depositary shall fix the ADS Record Date in respect of such meeting or solicitation of consent or proxy in accordance with Section 4.9 of the Deposit Agreement. The Depositary shall, if requested by the Company in writing in a timely manner (the Depositary having no obligation to take any further action if the request shall not have been received by the Depositary at least thirty (30) days prior to the date of such vote or meeting), at the Company's expense and provided no U.S. legal prohibitions exist, distribute to Holders as of the ADS Record Date: (a) such notice of meeting or solicitation of consent or proxy, (b) a statement that the Holders at the close of business on the ADS Record Date will be entitled, subject to any applicable law, the provisions of the Deposit Agreement, the Articles of Association of the Company and the provisions of or governing the Deposited Securities (which provisions, if any, shall be summarized in pertinent part by the Company), to instruct the Depositary as to the exercise of the voting rights, if any, pertaining to the Deposited Securities represented by such Holder's ADSs, and (c) a brief statement as to the manner in which such voting instructions may be given to the Depositary or in which voting instructions may be deemed to have been given in accordance with Section 4.10 of the Deposit Agreement if no instructions are received prior to the deadline set for such purposes to the Depositary to give a discretionary proxy to a person designated by the Company.

Notwithstanding anything contained in the Deposit Agreement or any ADR, with the Company's prior written consent, the Depositary may, to the extent not prohibited by law or regulations, or by the requirements of the stock exchange on which the ADSs are listed, in lieu of distribution of the materials provided to the Depositary in connection with any meeting of, or solicitation of consents or proxies from, holders of Deposited Securities, distribute to the Holders

a notice that provides Holders with, or otherwise publicizes to Holders, instructions on how to retrieve such materials or receive such materials upon request (*e.g.*, by reference to a website containing the materials for retrieval or a contact for requesting copies of the materials).

The Depositary has been advised by the Company that under the Articles of Association of the Company as in effect on the date of the Deposit Agreement, voting at any meeting of shareholders of the Company is by show of hands unless (before or upon the declaration of the result of the show of hands) a poll is demanded. The Depositary will not join in demanding a poll, whether or not requested to do so by Holders of ADSs. Under the Articles of Association of the Company as in effect on the date of the Deposit Agreement, a poll may be demanded by (a) the chairman of the Company's board of directors, (b) not fewer than five shareholders present in person or by proxy and having the right to vote at the meeting, (c) any shareholder(s) present in person or by proxy and representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution (excluding any shares held in treasury), or (d) any shareholder(s) present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right (excluding any shares held in treasury).

Voting instructions may be given only in respect of a number of ADSs representing an integral number of Deposited Securities. Upon the timely receipt from a Holder of ADSs as of the ADS Record Date of voting instructions in the manner specified by the Depositary, the Depositary shall endeavor, insofar as practicable and permitted under applicable law, the provisions of the Deposit Agreement, Articles of Association of the Company and the provisions of the Deposited Securities, to vote, or cause the Custodian to vote, the Deposited Securities (in person or by proxy) represented by such Holder's ADSs as follows: (a) in the event voting takes place at a shareholders' meeting by a show of hands, the Depositary will instruct the Custodian to vote all Deposited Securities in accordance with the voting instructions received from a majority of Holders of ADSs who provided voting instructions, and (b) in the event voting takes place at a shareholders' meeting by poll, the Depositary will instruct the Custodian to vote the Deposited Securities in accordance with the voting instructions received from the Holders of ADSs. If voting is by poll and the Depositary does not receive voting instructions from a Holder as of the ADS Record Date on or before the date established by the Depositary for such purpose, such Holder shall be deemed, and the Depositary shall deem such Holder, to have instructed the Depositary to give a discretionary proxy to a person designated by the Company to vote the Deposited Securities; provided, however, that no such discretionary proxy shall be given by the Depositary with respect to any matter to be voted upon as to which the Company informs the Depositary that (a) the Company does not wish such proxy to be given, (b) substantial opposition exists, or (c) the rights of holders of Deposited Securities may be adversely affected.

Neither the Depositary nor the Custodian shall under any circumstances exercise any discretion as to voting and neither the Depositary nor the Custodian shall vote, attempt to exercise the right to vote, or in any way make use of, for purposes of establishing a quorum or otherwise, the Deposited Securities represented by ADSs, except pursuant to and in accordance with the voting instructions timely received from Holders or as otherwise contemplated in the Deposit Agreement or herein. If the Depositary timely receives voting instructions from a

Holder which fail to specify the manner in which the Depositary is to vote the Deposited Securities represented by such Holder's ADSs, the Depositary will deem such Holder (unless otherwise specified in the notice distributed to Holders) to have instructed the Depositary to vote in favor of the items set forth in such voting instructions. Deposited Securities represented by ADSs for which no timely voting instructions are received by the Depositary from the Holder shall not be voted (except (a) in the case voting is by show of hands, in which case the Depositary will instruct the Custodian to vote all Deposited Securities in accordance with the voting instructions received from a majority of Holders of ADSs who provided voting instructions, and (b) as contemplated in Section 4.10 of the Deposit Agreement). Notwithstanding anything else contained herein, the Depositary shall, if so requested in writing by the Company, represent all Deposited Securities (whether or not voting instructions have been received in respect of such Deposited Securities from Holders as of the ADS Record Date) for the sole purpose of establishing quorum at a meeting of shareholders.

Notwithstanding anything else contained in the Deposit Agreement or any ADR, the Depositary shall not have any obligation to take any action with respect to any meeting, or solicitation of consents or proxies, of holders of Deposited Securities if the taking of such action would violate U.S. laws. The Company agrees to take any and all actions reasonably necessary and as permitted by the laws of England and Wales to enable Holders and Beneficial Owners to exercise the voting rights accruing to the Deposited Securities and to deliver to the Depositary an opinion of U.S. counsel addressing any actions requested to be taken if so requested by the Depositary.

There can be no assurance that Holders generally or any Holder in particular will receive the notice described above with sufficient time to enable the Holder to return voting instructions to the Depositary in a timely manner.

(19) Changes Affecting Deposited Securities. Upon any change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of Deposited Securities, or upon any recapitalization, reorganization, merger, consolidation or sale of assets affecting the Company or to which it is a party, any property which shall be received by the Depositary or the Custodian in exchange for, or in conversion of, or replacement of, or otherwise in respect of, such Deposited Securities shall, to the extent permitted by law, be treated as new Deposited Property under the Deposit Agreement, and the ADSs shall, subject to the provisions of the Deposit Agreement, any ADR(s) evidencing such ADSs and applicable law, represent the right to receive such additional or replacement Deposited Property. In giving effect to such change, split-up, cancellation, consolidation or other reclassification of Deposited Securities, recapitalization, reorganization, merger, consolidation or sale of assets, the Depositary may, with the Company's approval, and shall, if the Company shall so request, subject to the terms of the Deposit Agreement (including, without limitation, (a) the applicable fees and charges of, and expenses incurred by, the Depositary, and (b) applicable taxes) and receipt of an opinion of counsel to the Company satisfactory to the Depositary that such actions are not in violation of any applicable laws or regulations, (i) issue and deliver additional ADSs as in the case of a stock dividend on the Shares, (ii) amend the Deposit Agreement and the applicable ADRs, (iii) amend the applicable Registration Statement(s) on Form F-6 as filed with the Commission in respect of the ADSs, (iv) call for the surrender of outstanding ADRs to be exchanged for new ADRs, and

(v) take such other actions as are appropriate to reflect the transaction with respect to the ADSs. The Company agrees to, jointly with the Depositary, amend the Registration Statement on Form F-6 as filed with the Commission to permit the issuance of such new form of ADRs. Notwithstanding the foregoing, in the event that any Deposited Property so received may not be lawfully distributed to some or all Holders, the Depositary may, with the Company's approval, and shall, if the Company requests, subject to receipt of an opinion of Company's counsel satisfactory to the Depositary that such action is not in violation of any applicable laws or regulations, sell such Deposited Property at public or private sale, at such place or places and upon such terms as it may deem proper and may allocate the net proceeds of such sales (net of applicable (a) fees and charges of, and expenses incurred by, the Depositary and (b) taxes) for the account of the Holders otherwise entitled to such Deposited Property upon an averaged or other practicable basis without regard to any distinctions among such Holders and distribute the net proceeds so allocated to the extent practicable as in the case of a distribution received in cash pursuant to Section 4.1 of the Deposit Agreement. The Depositary shall not be responsible for (i) any failure to determine that it may be lawful or practicable to make such Deposited Property available to Holders in general or to any Holder in particular, (ii) any foreign exchange exposure or loss incurred in connection with such sale, or (iii) any liability to the purchaser of such Deposited Property.

(20) Exoneration. Notwithstanding anything contained in the Deposit Agreement or any ADR, neither the Depositary nor the Company shall be obligated to do or perform any act which is inconsistent with the provisions of the Deposit Agreement or incur any liability (i) if the Depositary or the Company shall be prevented or forbidden from, or delayed in, doing or performing any act or thing required by the terms of the Deposit Agreement or this ADR, by reason of any provision of any present or future law or regulation of the United States, England and Wales or any other country, or of any other governmental authority or regulatory authority or stock exchange, or on account of potential criminal or civil penalties or restraint, or by reason of any provision, present or future, of the Articles of Association of the Company or any provision of or governing any Deposited Securities, or by reason of any act of God or war or other circumstances beyond its control (including, without limitation, nationalization, expropriation, currency restrictions, work stoppage, strikes, civil unrest, acts of terrorism, revolutions, rebellions, explosions and computer failure), (ii) by reason of any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement or in the Articles of Association of the Company or provisions of or governing Deposited Securities, (iii) for any action or inaction in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Holder, any Beneficial Owner or authorized representative thereof, or any other person believed by it in good faith to be competent to give such advice or information, (iv) for the inability by a Holder or Beneficial Owner to benefit from any distribution, offering, right or other benefit which is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Holders of ADSs, or (v) for any consequential or punitive damages (including lost profits) for any breach of the terms of the Deposit Agreement.

The Depositary, its controlling persons, its agents, any Custodian and the Company, its controlling persons and its agents may rely and shall be protected in acting upon any written notice, request or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

No disclaimer of liability under the Securities Act is intended by any provision of the Deposit Agreement or this ADR.

(21) Standard of Care. The Company and the Depositary assume no obligation and shall not be subject to any liability under the Deposit Agreement or any ADRs to any Holder(s) or Beneficial Owner(s), except that the Company and the Depositary agree to perform their respective obligations specifically set forth in the Deposit Agreement or the applicable ADRs without negligence or bad faith.

Without limitation of the foregoing, neither the Depositary, nor the Company, nor any of their respective controlling persons, or agents, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Property or in respect of the ADSs, which in its opinion may involve it in expense or liability, unless indemnity satisfactory to it against all expense (including fees and disbursements of counsel) and liability be furnished as often as may be required (and no Custodian shall be under any obligation whatsoever with respect to such proceedings, the responsibility of the Custodian being solely to the Depositary).

The Depositary and its agents shall not be liable for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any vote is cast or the effect of any vote, provided that any such action or omission is in good faith and without negligence and in accordance with the terms of the Deposit Agreement. The Depositary shall not incur any liability for any failure to accurately determine that any distribution or action may be lawful or reasonably practicable, for the content of any information submitted to it by the Company for distribution to the Holders or for any inaccuracy of any translation thereof, for any investment risk associated with acquiring an interest in the Deposited Property, for the validity or worth of the Deposited Property or for any tax consequences that may result from the ownership of ADSs, Shares or other Deposited Property, for the credit-worthiness of any third party, for allowing any rights to lapse upon the terms of the Deposit Agreement, for the failure or timeliness of any notice from the Company, or for any action of or failure to act by, or any information provided or not provided by, DTC or any DTC Participant.

The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

The Depositary shall not be liable for any acts or omissions made by a predecessor depositary whether in connection with an act or omission of the Depositary or in connection with any matter arising wholly prior to the appointment of the Depositary or after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

(22) Resignation and Removal of the Depositary; Appointment of Successor Depositary. The Depositary may at any time resign as Depositary under the Deposit Agreement by written notice of resignation delivered to the Company, such resignation to be effective on the earlier of (i) the 90th day after delivery thereof to the Company (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2 of the Deposit Agreement), or (ii) upon the appointment of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement.

The Depositary may at any time be removed by the Company by written notice of such removal, which removal shall be effective on the later of (i) the 90th day after delivery thereof to the Depositary (whereupon the Depositary shall be entitled to take the actions contemplated in Section 6.2 of the Deposit Agreement), or (ii) upon the appointment by the Company of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement.

In case at any time the Depositary acting hereunder shall resign or be removed, the Company shall use its best efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the Borough of Manhattan, the City of New York. Every successor depositary shall be required by the Company to execute and deliver to its predecessor and to the Company an instrument in writing accepting its appointment hereunder, and thereupon such successor depositary, without any further act or deed (except as required by applicable law), shall become fully vested with all the rights, powers, duties and obligations of its predecessor (other than as contemplated in Sections 5.8 and 5.9 of the Deposit Agreement). The predecessor depositary, upon payment of all sums due it and on the written request of the Company, shall, (i) execute and deliver an instrument transferring to such successor all rights and powers of such predecessor hereunder (other than as contemplated in Sections 5.8 and 5.9 of the Deposit Agreement), (ii) duly assign, transfer and deliver all of the Depositary's right, title and interest to the Deposited Property to such successor, and (iii) deliver to such successor a list of the Holders of all outstanding ADSs and such other information relating to ADSs and Holders thereof as the successor may reasonably request. Any such successor depositary shall promptly provide notice of its appointment to such Holders.

Any entity into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

(23) Amendment/Supplement. Subject to the terms and conditions of this paragraph (23), the Deposit Agreement and applicable law, this ADR and any provisions of the Deposit Agreement may at any time and from time to time be amended or supplemented by written agreement between the Company and the Depositary in any respect which they may deem necessary or desirable without the prior written consent of the Holders or Beneficial Owners. Any amendment or supplement which shall impose or increase any fees or charges (other than charges in connection with foreign exchange control regulations, and taxes and other governmental charges, delivery and other such expenses), or which shall otherwise materially prejudice any substantial existing right of Holders or Beneficial Owners, shall not, however, become effective as to outstanding ADSs until the expiration of thirty (30) days after notice of such amendment or supplement shall have been given to the Holders of outstanding ADSs.

Notice of any amendment to the Deposit Agreement or any ADR shall not need to describe in detail the specific amendments effectuated thereby, and failure to describe the specific amendments in any such notice shall not render such notice invalid, provided, however, that, in each such case, the notice given to the Holders identifies a means for Holders and Beneficial Owners to retrieve or receive the text of such amendment (*e.g.*, upon retrieval from the Commission's, the Depositary's or the Company's website or upon request from the Depositary). The parties hereto agree that any amendments or supplements which (i) are reasonably necessary (as agreed by the Company and the Depositary) in order for (a) the ADSs to be registered on Form F-6 under the Securities Act or (b) the ADSs to be settled solely in electronic book-entry form and (ii) do not in either such case impose or increase any fees or charges to be borne by Holders, shall be deemed not to materially prejudice any substantial rights of Holders or Beneficial Owners. Every Holder and Beneficial Owner at the time any amendment or supplement so becomes effective shall be deemed, by continuing to hold such ADSs, to consent and agree to such amendment or supplement and to be bound by the Deposit Agreement and this ADR as amended or supplemented thereby. In no event shall any amendment or supplement impair the right of the Holder to surrender such ADS and receive therefor the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law. Notwithstanding the foregoing, if any governmental body should adopt new laws, rules or regulations which would require an amendment of, or supplement to, the Deposit Agreement to ensure compliance therewith, the Company and the Depositary may amend or supplement the Deposit Agreement and this ADR at any time in accordance with such changed laws, rules or regulations. Such amendment or supplement to the Deposit Agreement and this ADR in such circumstances may become effective before a notice of such amendment or supplement is given to Holders or within any other period of time as required for compliance with such laws, rules or regulations.

(24) Termination. The Depositary shall, at any time at the written direction of the Company, terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. If ninety (90) days shall have expired after (i) the Depositary shall have delivered to the Company a written notice of its election to resign, or (ii) the Company shall have delivered to the Depositary a written notice of the removal of the Depositary, and, in either case, a successor depositary shall not have been appointed and accepted its appointment as provided in Section 5.4 of the Deposit Agreement, the Depositary may terminate the Deposit Agreement by distributing notice of such termination to the Holders of all ADSs then outstanding at least thirty (30) days prior to the date fixed in such notice for such termination. The date so fixed for termination of the Deposit Agreement in any termination notice so distributed by the Depositary to the Holders of ADSs is referred to as the "Termination Date". Until the Termination Date, the Depositary shall continue to perform all of its obligations under the Deposit Agreement, and the Holders and Beneficial Owners will be entitled to all of their rights under the Deposit Agreement.

If any ADSs shall remain outstanding after the Termination Date, the Registrar and the Depositary shall not, after the Termination Date, have any obligation to perform any further acts under the Deposit Agreement, except that the Depositary shall, subject, in each case, to the terms and conditions of the Deposit Agreement, continue to (i) collect dividends and other distributions pertaining to Deposited Securities, (ii) sell Deposited Property received in respect of Deposited

Securities, (iii) deliver Deposited Securities, together with any dividends or other distributions received with respect thereto and the net proceeds of the sale of any other Deposited Property, in exchange for ADSs surrendered to the Depositary (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (iv) take such actions as may be required under applicable law in connection with its role as Depositary under the Deposit Agreement.

At any time after the Termination Date, the Depositary may sell the Deposited Property then held under the Deposit Agreement and shall after such sale hold un-invested the net proceeds of such sale, together with any other cash then held by it under the Deposit Agreement, in an un-segregated account and without liability for interest, for the pro rata benefit of the Holders whose ADSs have not theretofore been surrendered. After making such sale, the Depositary shall be discharged from all obligations under the Deposit Agreement except (i) to account for such net proceeds and other cash (after deducting, or charging, as the case may be, in each case, the fees and charges of, and expenses incurred by, the Depositary, and all applicable taxes or governmental charges for the account of the Holders and Beneficial Owners, in each case upon the terms set forth in Section 5.9 of the Deposit Agreement), and (ii) as may be required at law in connection with the termination of the Deposit Agreement. After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement, except for its obligations to the Depositary under Sections 5.8, 5.9 and 7.6 of the Deposit Agreement. The obligations under the terms of the Deposit Agreement of Holders and Beneficial Owners of ADSs outstanding as of the Termination Date shall survive the Termination Date and shall be discharged only when the applicable ADSs are presented by their Holders to the Depositary for cancellation under the terms of the Deposit Agreement (except as specifically provided in the Deposit Agreement).

(25) **Compliance with U.S. Securities Laws.** Notwithstanding any provisions in this ADR or the Deposit Agreement to the contrary, the withdrawal or delivery of Deposited Securities will not be suspended by the Company or the Depositary except as would be permitted by Instruction I.A.(1) of the General Instructions to the Form F-6 Registration Statement, as amended from time to time, under the Securities Act.

(26) **Certain Rights of the Depositary; Limitations.** Subject to the further terms and provisions of Section 5.10 of the Deposit Agreement, the Depositary, its Affiliates and their agents, on their own behalf, may own and deal in any class of securities of the Company and its Affiliates and in ADSs. The Depositary may issue ADSs against evidence of rights to receive Shares from the Company, any agent of the Company or any custodian, registrar, transfer agent, clearing agency or other entity involved in ownership or transaction records in respect of the Shares. Such evidence of rights shall consist of written blanket or specific guarantees of ownership of Shares. In its capacity as Depositary, the Depositary shall not lend Shares or ADSs; provided, however, that the Depositary may (i) issue ADSs prior to the receipt of Shares pursuant to Section 2.3 of the Deposit Agreement and (ii) deliver Shares prior to the receipt of ADSs for withdrawal of Deposited Securities pursuant to Section 2.7 of the Deposit Agreement, including ADSs which were issued under (i) above but for which Shares may not have been

received (each such transaction a "Pre-Release Transaction"). The Depositary may receive ADSs in lieu of Shares under (i) above and receive Shares in lieu of ADSs under (ii) above. Each such Pre-Release Transaction will be (a) subject to a written agreement whereby the person or entity (the "Applicant") to whom ADSs or Shares are to be delivered (w) represents that at the time of the Pre-Release Transaction the Applicant or its customer owns the Shares or ADSs that are to be delivered by the Applicant under such Pre-Release Transaction, (x) agrees to indicate the Depositary as owner of such Shares or ADSs in its records and to hold such Shares or ADSs in trust for the Depositary until such Shares or ADSs are delivered to the Depositary or the Custodian, (y) unconditionally guarantees to deliver to the Depositary or the Custodian, as applicable, such Shares or ADSs, and (z) agrees to any additional restrictions or requirements that the Depositary deems appropriate, (b) at all times fully collateralized with cash, U.S. government securities or such other collateral as the Depositary deems appropriate, (c) terminable by the Depositary on not more than five (5) business days' notice and (d) subject to such further indemnities and credit regulations as the Depositary deems appropriate. The Depositary will normally limit the number of ADSs and Shares involved in such Pre-Release Transactions at any one time to thirty percent (30%) of the ADSs outstanding (without giving effect to ADSs outstanding under (i) above), provided, however, that the Depositary reserves the right to change or disregard such limit from time to time as it deems appropriate.

The Depositary may also set limits with respect to the number of ADSs and Shares involved in Pre-Release Transactions with any one person on a case-by-case basis as it deems appropriate. The Depositary may retain for its own account any compensation received by it in conjunction with the foregoing. Collateral provided pursuant to (b) above, but not the earnings thereon, shall be held for the benefit of the Holders (other than the Applicant).

(27) Governing Law; Waiver of Jury Trial and Jurisdiction. The Deposit Agreement and the ADRs shall be interpreted in accordance with, and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by, the laws of the State of New York applicable to contracts made and to be wholly performed in that State. Notwithstanding anything contained in the Deposit Agreement, any ADR or any present or future provisions of the laws of the State of New York, the rights of holders of Shares and of any other Deposited Securities and the obligations and duties of the Company in respect of the holders of Shares and other Deposited Securities, as such, shall be governed by the laws of England and Wales (or, if applicable, such other laws as may govern the Deposited Securities).

EACH OF THE PARTIES TO THE DEPOSIT AGREEMENT (INCLUDING, WITHOUT LIMITATION, EACH HOLDER AND BENEFICIAL OWNER) IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY ARISING OUT OF, OR RELATING TO, THE DEPOSIT AGREEMENT, ANY ADR AND ANY TRANSACTIONS CONTEMPLATED THEREIN (WHETHER BASED ON CONTRACT, TORT, COMMON LAW OR OTHERWISE).

(ASSIGNMENT AND TRANSFER SIGNATURE LINES)

FOR VALUE RECEIVED, the undersigned Holder hereby sell(s), assign(s) and transfer(s) unto whose taxpayer identification number is and whose address including postal zip code is , the within ADR and all rights thereunder, hereby irrevocably constituting and appointing attorney-in-fact to transfer said ADR on the books of the Depositary with full power of substitution in the premises.

Dated:

Name: _____
By:
Title:

NOTICE: The signature of the Holder to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

If the endorsement be executed by an attorney, executor, administrator, trustee or guardian, the person executing the endorsement must give his/her full title in such capacity and proper evidence of authority to act in such capacity, if not on file with the Depositary, must be forwarded with this ADR.

_____
SIGNATURE GUARANTEED

All endorsements or assignments of ADRs must be guaranteed by a member of a Medallion Signature Program approved by the Securities Transfer Association, Inc.

Legends

[The ADRs issued in respect of Partial Entitlement American Depositary Shares shall bear the following legend on the face of the ADR: “This ADR evidences ADSs representing ‘partial entitlement’ Shares of NuCana plc and as such do not entitle the holders thereof to the same per-share entitlement as other Shares (which are ‘full entitlement’ Shares) issued and outstanding at such time. The ADSs represented by this ADR shall entitle holders to distributions and entitlements identical to other ADSs when the Shares represented by such ADSs become ‘full entitlement’ Shares.”]

EXHIBIT B

FEE SCHEDULE

ADS FEES AND RELATED CHARGES

All capitalized terms used but not otherwise defined herein shall have the meaning given to such terms in the Deposit Agreement.

I. ADS Fees

The following ADS fees are payable under the terms of the Deposit Agreement:

Service	Rate	By Whom Paid
(1) Issuance of ADSs (*e.g.*, an issuance upon a deposit of Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason), excluding issuances as a result of distributions described in paragraph (4) below.	Up to U.S. $5.00 per 100 ADSs (or fraction thereof) issued.	Person receiving ADSs.
(2) Cancellation of ADSs (*e.g.*, a cancellation of ADSs for delivery of deposited Shares, upon a change in the ADS(s)-to-Share(s) ratio, or for any other reason).	Up to U.S. $5.00 per 100 ADSs (or fraction thereof) cancelled.	Person whose ADSs are being cancelled.
(3) Distribution of cash dividends or other cash distributions (*e.g.*, upon a sale of rights and other entitlements).	Up to U.S. $5.00 per 100 ADSs (or fraction thereof) held.	Person to whom the distribution is made.
(4) Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) an exercise of rights to purchase additional ADSs.	Up to U.S. $5.00 per 100 ADSs (or fraction thereof) held.	Person to whom the distribution is made.
(5) Distribution of securities other than ADSs or rights to purchase additional ADSs (*e.g.*, spin-off shares).	Up to U.S. $5.00 per 100 ADSs (or fraction thereof) held.	Person to whom the distribution is made.
6) ADS Services.	Up to U.S. $5.00 per 100 ADSs (or fraction thereof) held on the applicable record date(s) established by the Depositary.	Person holding ADSs on the applicable record date(s) established by the Depositary.

II. Charges

The Company, Holders, Beneficial Owners, persons receiving ADSs upon issuance and persons whose ADSs are being cancelled shall be responsible for the following ADS charges under the terms of the Deposit Agreement:

(i) taxes (including applicable interest and penalties) and other governmental charges;

(ii) such registration fees as may from time to time be in effect for the registration of Shares or other Deposited Securities on the share register and applicable to transfers of Shares or other Deposited Securities to or from the name of the Custodian, the Depositary or any nominees upon the making of deposits and withdrawals, respectively;

(iii) such cable, telex and facsimile transmission and delivery expenses as are expressly provided in the Deposit Agreement to be at the expense of the person depositing Shares or withdrawing Deposited Securities or of the Holders and Beneficial Owners of ADSs;

(iv) the expenses and charges incurred by the Depositary in the conversion of foreign currency;

(v) such fees and expenses as are incurred by the Depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to Shares, Deposited Securities, ADSs and ADRs; and

(vi) the fees and expenses incurred by the Depositary, the Custodian, or any nominee in connection with the servicing or delivery of Deposited Property.

Exhibit 5.1

BRISTOWS

Bristows LLP
100 Victoria Embankment
London EC4Y 0DH
T +44(0)20 7400 8000

www.bristows.com

DX269 London (Chancery Lane)

Our ref: 356/IPR/12653.0001

Your ref:

18 September 2017

NuCana plc
77 78 Cannon Street
London
England
EC4N 6AF

Dear Sirs

NuCana plc -Registration Statement on Form F-1 – Exhibit 5.1

1. **Background**

1.1 We have acted as English legal advisers to NuCana plc, a public limited company incorporated in England and Wales (the "**Company**"), in connection with the proposed offering (the "**Offering**") of American Depositary Shares (the "**ADSs**") representing ordinary shares of £0.04 each in the capital of the Company (the "**New Shares**"). Each ADS represents 1 New Share.

1.2 This opinion letter is being furnished in connection with the registration statement (as amended through the date hereof, the "**Registration Statement**") on Form F-1 (No. 333-220392) filed by the Company with the Securities and Exchange Commission (the "**Commission**") on 26 June 2017, and amended on 4 August 2017, 1 September 2017 and the date hereof, pursuant to the Securities Act of 1933, as amended (the "**Securities Act**"), and the rules and regulations promulgated thereunder (the "**Rules**").

1.3 We understand that the existing issued shares of the Company are not, and are not intended to be, admitted to trading on any market or exchange, or otherwise listed, in the United Kingdom.

2. **Examination and enquiries**

2.1 For the purpose of giving this opinion letter, we have examined:

2.1.1 the Registration Statement;

2.1.2 a certificate dated 18 September 2017 (the "**Reference Date**") signed by the company secretary of the Company (the "**Officer's Certificate**")

relating to certain factual matters as at the Reference Date and having annexed thereto

2.1.3 copies (certified by the company secretary as being true, complete, accurate and in the case of the memorandum of association and articles of association, up-to-date) of the following documents:

2.1.3.1 the Company's certificate of incorporation dated 28 January 1997, a certificate of incorporation on change of name dated 28 April 2008, a certificate of incorporation on re-registration as a public limited company dated 29 August 2017, memorandum of association, existing articles of association and its draft articles of association to be adopted pursuant to the Shareholder Resolutions (as defined below) and to be effective from closing of the Offering;

2.1.3.2 a minute of the general meeting of the Company held on 14 September 2017 at which certain shareholder resolutions were passed (the "Shareholder Resolutions"), including the resolutions providing a general authority to allot and disapplying statutory pre-emption rights in respect of the allotment of shares or the grant of rights to subscribe for or convert into shares up to an aggregate nominal amount of £791,497.28 (the "General Authorities");

2.1.3.3 written resolutions of the board of directors of the Company passed on 14 September 2017 which resolved, inter alia, to proceed with the Offering and to constitute a pricing committee of the board of directors of the Company in connection with the Offering (the "Pricing Committee"); and

2.1.4 draft written resolutions of the Pricing Committee to resolve, inter alia, to allot the New Shares (together with the document listed in paragraph 2.1.2.3 being the "Board Resolutions", and, the Board Resolutions together with the Shareholder Resolutions being the "Corporate Approvals").

2.2 For the purpose of giving this opinion letter, we have:

2.2.1 at 9.00 am, London time, on 18 September 2017 made an online search of the register kept by the Registrar of Companies in respect of the Company (the "Company Search"); and

2.2.2 made a telephone enquiry in respect of the Company of the Central Registry of Winding-Up Petitions at 9.00 am, London time, on 18 September 2017 (the "Telephone Search", and together with the Company Search, the "Searches").

3. **Assumptions**

3.1 In giving this opinion letter we have assumed:

3.1.1 the genuineness of all signatures, seals and stamps;

3.1.2 that each of the individuals who signs as, or otherwise claims to be, an officer of the Company is the individual whom he or she claims to be and holds the office he or she claims to hold;

3.1.3 the authenticity and completeness of all documents submitted to us as originals;

3.1.4 the conformity with the original documents of all documents reviewed by us as drafts, specimens, pro formas or copies and the authenticity and completeness of all such original documents;

3.1.5 the accuracy as to factual matters of each document we have reviewed, including, without limitation, the accuracy and completeness of all statements contained in the Officer's Certificate;

3.1.6 that the meeting referred to in paragraph 2.1.2.2 was or will be duly convened, constituted and held in accordance with all applicable laws and regulations and that the written resolutions referred to in paragraphs 2.1.2.3 and 2.1.3 were or will be duly passed in accordance with all applicable laws and regulations; that in particular, but without limitation, a duly qualified number or quorum of directors or, as the case may be, shareholders was or will be present in each case throughout the shareholder meeting and voted or will vote (as applicable) in favour of the resolutions (written or otherwise); and that, in the case of a board or committee written resolution, each provision contained in the Companies Act 2006 or the then applicable articles of association of the Company relating to the declaration of directors' interests or the power of interested directors to vote was or will be duly observed;

3.1.7 that the minutes referred to in paragraph 2.1.2.2 are a true record of the proceedings of the shareholder meeting and that each resolution recorded in those minutes, and in the written resolutions referred to in paragraph 2.1.2.3, has not been and will not be amended, rescinded or superseded and remains or will remain in full force and effect and that the draft written resolution referred to in paragraph 2.1.3 will be passed in the same form, without material amendment, save for completion of the number of New Shares and ADSs being issued, the prices associated with such issuances and the date the Company's Registration Statement on Form F-1 (File No. 333-220321) was declared effective by the Securities and Exchange Commission;

3.1.8 the Registration Statement, as finally amended, having become effective under the Securities Act;

3.1.9 that the directors of the Company acted or will act in accordance with ss171 to 174 Companies Act 2006 in approving the resolutions recorded in the Board Resolutions and that all actions to be carried out by the Company pursuant to the Corporate Approvals are or will be in its commercial interests;

3.1.10 that no agreement, document or obligation to or by which the Company (or its assets) is a party or bound and no injunction or other court order against or affecting the Company would be breached or infringed by the matters contemplated by the performance of the actions to be carried out pursuant to, or any other aspect of, the Corporate Approvals;

3.1.11 that (i) the information disclosed by the Searches was then complete, up to date and accurate in all respects and has not since been altered or added to, and (ii) the Searches did not fail to disclose any information relevant for the purposes of this opinion letter;

3.1.12 that there are no facts or circumstances (and no documents, agreements, instruments or correspondence) which are not apparent from the face of the documents listed in paragraph 2.1 or which have not been disclosed to us that may affect the validity or enforceability of the documents listed in paragraph 2.1 or any obligation therein or otherwise affect the opinions expressed in this opinion letter;

3.1.13 that the Company is and will at all relevant times remain in compliance with all applicable anti-corruption, anti-money laundering, anti-terrorism, sanctions and human rights laws and regulations;

3.1.14 that all consents, licences, approvals, authorisations, notices, filings and registrations that are necessary under any applicable laws or regulations in order to permit the performance of the actions to be carried out pursuant to the Corporate Approvals have been or will be duly made or obtained and are, or will be, in full force and effect;

3.1.15 that there are no provisions of the laws of any jurisdiction outside England that would have any implication for the opinions we express and that, insofar as the laws of any jurisdiction outside England may be relevant to this opinion letter, such laws have been and will be complied with; and

3.1.16 that the aggregate nominal value of New Shares to be issued and allotted in connection with the Offering will not exceed £791,497.28, less £0.08 (as referred to below), and that all New Shares will be issued and allotted pursuant to the authority and power granted to the directors of the Company under the Shareholder Resolutions and that the General

Authorities have not been and will not be previously utilised otherwise by the allotment of shares or by the grant of rights to subscribe for or convert any security into shares of the Company, other than pursuant to the issue and allotment of shares on 14 September 2017, arising in connection with a consolidation of the Company's share capital, in an aggregate nominal value of £0.08.

4. **Opinion**

4.1 Based on and subject to the foregoing and subject to the reservations mentioned below and to any matters not disclosed to us, we are of the opinion that:

4.1.1 the Company is a public limited company duly incorporated under English law, noting that the Searches, revealed no order or resolution for the winding-up of the Company and no notice of the appointment of a receiver, administrative receiver or administrator in respect of it or any of its assets; and

4.1.2 the New Shares will, when the names of the holders of such New Shares are entered into the register of members of the Company and subject to the receipt by the Company of the aggregate issue price in respect of all the New Shares, be validly issued, fully paid and no further amount may be called thereon.

4.2 This opinion is strictly limited to the matters expressly stated in this paragraph 4 and is not to be construed as extending by implication to any other matter.

5. **Reservations**

5.1 The opinions given in this opinion letter are subject to the following reservations:

5.1.1 for the purposes of giving this opinion letter, we have only examined and relied on those documents and made those searches and enquiries set out in paragraphs 2.1 and 2.2 respectively. We have made no further enquiries concerning the Company or any other matter in connection with the giving of this opinion letter;

5.1.2 we have made no enquiry, and express no opinion, as to any matter of fact. As to matters of fact which are material to this opinion letter, we have relied entirely and without further enquiry on statements made in the documents listed in paragraph 2.1;

5.1.3 we express no opinion as to any agreement, instrument or other document other than as specified in this letter or as to any liability to tax which may arise or be suffered as a result of or in connection with the Offering or the transactions contemplated thereby;

5.1.4 this opinion letter only applies to those facts and circumstances which exist as at today's date and we assume no obligation or responsibility to update or supplement this letter to reflect any facts or circumstances which may subsequently come to our attention, any changes in laws which may occur after today, or to inform the addressee of any change in circumstances happening after the date of this letter which would alter our opinion;

5.1.5 the Searches are not capable of revealing conclusively whether or not a winding-up or administration petition or order has been presented or made, a receiver appointed, a company voluntary arrangement proposed or approved or any other insolvency proceeding commenced. We have not made enquiries of any District Registry or County Court and the Searches may not reveal whether insolvency proceedings have been commenced in jurisdictions outside England and Wales;

5.1.6 the opinions set out in this opinion letter are subject to (i) any limitations arising from applicable laws relating to insolvency, bankruptcy, administration, reorganisation, liquidation, moratoria, schemes or analogous circumstances; and (ii) an English court exercising its discretion under section 426 of the Insolvency Act 1986 (co-operation between courts exercising jurisdiction in relation to insolvency) to assist the courts having the corresponding jurisdiction in any part of the United Kingdom or any relevant country or territory; and

5.1.7 it should be understood that we have not been responsible for investigating or verifying the accuracy of the facts, including statements of foreign law, or the reasonableness of any statements of opinion, contained in the Registration Statement, or that no material facts have been omitted from it.

6. **Law**

6.1 This opinion letter and any non-contractual obligations arising out of or in connection with this opinion letter shall be governed by, and construed in accordance with, English law.

6.2 This opinion letter relates only to English law (being for these purposes, except to the extent we make specific reference to an English law "conflict of law" (private international law) rule or principle, English domestic law on the assumption that English domestic law applies to all relevant issues) as applied by the English courts as at today's date, including the laws of the European Union to the extent having the force of law in England.

6.3 We express no opinion as to, and we have not investigated for the purposes of this opinion letter, the laws of any jurisdiction other than England. It is assumed that no foreign law which may apply to the matters contemplated by the Registration Statement, the Offering, the Company, any document or any other matter contemplated by any document would or might affect this opinion letter.

7. **Disclosure and reliance**

7.1 This opinion letter is addressed to you solely for your benefit in connection with the Registration Statement. We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the reference to this firm under the caption “Legal Matters” of the prospectus contained in Part I of the Registration Statement. In giving such consent, we do not admit that we are in the category of persons whose consent is required under section 7 of the Securities Act or the Rules.

7.2 Other than for the purpose set out above, this opinion letter may not be relied upon by you and, may not be furnished to, or assigned to, or relied upon by, any other person, firm or entity for any purpose, without our prior written consent, which may be granted or withheld in our discretion.

Yours faithfully

/s/ Bristows LLP

Bristows LLP

Exhibit 10.1

RULES OF THE

NuCana BioMed Limited

SHARE OPTION SCHEME (INCLUDING ENTERPRISE MANAGEMENT INCENTIVES)

Approved and Adopted by the Board of NuCana BioMed Ltd

On 1st August 2009

and

Amended and approved by the Board of NuCana BioMed Limited and its shareholders

on 15 & 17 November 2011

and

As amended on 14 September 2017 and on [●] 2017

CONTENTS

NuCana Biomed Limited

SHARE OPTION SCHEME

RULES

(INCLUDING ENTERPRISE MANAGEMENT INCENTIVES)

1. INTERPRETATION

1.1 In these Rules (unless the context otherwise requires) the following words and expressions shall have the following meanings:

"Admission"	the admission of part of or the entire issued share capital of the Company (or any holding company of the Company) to listing on the Official List of the UK Listing Authority and to trading on the market for listed securities of London Stock Exchange plc, or to trading on AIM or to trading on any recognised investment exchange (as that term is defined in S841 ICTA)
"Adoption Date"	the date on which the Scheme is adopted by the Board/Company;
"AIM"	the market of that name operated by the London Stock Exchange Plc;
"Any Other EMI Scheme"	any scheme (other than the Scheme) adopted by the Company or any Group Member or by the Board which provides for the grant of options to acquire Shares which are Qualifying Options;
"Any Other Scheme"	any scheme (other than the Scheme) approved by the Company in general meeting or adopted by the Board which provides for the acquisition of Shares by or on behalf of employees or directors of the Group;
"Appropriate Period"	as defined in Rule 8.3;
"Associated Company"	has the meaning given to that expression by Section 416 ICTA;

"Auditors"	the auditors for the time being of the Company (acting as experts and not as arbitrators);
"Board"	the board of directors for the time being of the Company or a committee thereof duly authorised for the purposes of the Scheme;
"Capital"	issued ordinary share capital of the Company;
"Close Period"	any period where there are restrictions on dealing in the shares as stipulated by a relevant authority including under the rules of AIM;
"Company"	NuCana BioMed Limited registered in the UK with registration number 03308778 and whose registered address is Butler & Co Accountants, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU;
"Control"	has the meaning given to it by Section 840 ICTA and **"Controlled"** shall have a similar meaning;
"Date of Grant"	the date on which an Option was or is to be granted under Rule 2;
"Eligible Employee"	An employee or director of the Company or of a Qualifying Subsidiary and additionally, in the case of an Option which is to be granted as an EMI Option, a person who also satisfies the requirements of paragraphs 25 and 26 of Schedule 5, and whose average amount per week of reckonable time in relevant employment (as defined in Section 535(3) ITEPA and paragraph 26 Schedule 5) during a tax year is not less than 25 hours a week or such other relevant statutory threshold (provided that where the Board approves the grant of Unapproved Options to a person who has provided services to the Company and who does not satisfy the foregoing definition such person shall be deemed to be an Eligible Employee for the purposes of these Rules and such grant of Unapproved Options shall be binding);

"EMI Code"	the provisions set out in Sections 527 to 541 ITEPA (inclusive), Schedule 5 and Part 4 Schedule 7D TCGA;
"EMI Option"	a right (for the time being subsisting) to acquire Shares under the Scheme in accordance with these Rules and which is a Qualifying Option;
"Exercise Conditions"	conditions, if any, determined by the Board at the Date of Grant and as set out in the Appendix of the Option Agreement required to be satisfied before the Option can be exercised, such conditions being subject to the provisions set out in Rule 5;
"FSMA"	the Financial Services and Markets Act 2000;
"Group"	the Company and its Subsidiaries and **"Group Member"** shall be construed accordingly;
"HMRC"	HM Revenue and Customs;
"ICTA"	the Income and Corporation Taxes Act 1988;
"ITEPA"	the Income Tax (Earnings and Pensions) Act 2003;
"Joint Election"	means a joint election pursuant to Sections 425, 430 or 431 ITEPA;
"Letter of Invitation"	a letter substantially in the form set out in schedule 1 to these Rules provided by the Company to an employee inviting him to accept the grant of an Option;
"Market Value"	has the same meaning as it has for the purposes of Part VIII TCGA and which shall be deemed to be: (a) the middle market quotation of a Share as decided from the Official List for the dealing day immediately preceding the Date of Grant; or

(b) (if the Shares are not for the time being so quoted) the price determined by the Board, as being the market value of a Share on the day prior to the day on which the Option in question is granted

and, for an EMI Option agreed by Shares Valuation at HMRC;

"Material Interest" means an interest in the Company as set out in paragraph 29 of Schedule 5;

"NIC" national insurance contributions;

"Notice of Exercise" a notice of exercise substantially in the form set out in the Appendix to the Option Agreement;

"Notice of Grant" in the case of Options which are to be EMI Options, a notification to HMRC to be jointly signed by

(a) the employer company of the Option Holder and

(b) the Option Holder

in such form required by HMRC from time to time;

"Official List" the official listing as referred to in Part VI FSMA;

"Option" an option to acquire Shares granted under these Rules, whether an EMI Option or an Unapproved Option;

"Option Agreement" a written agreement between the Company and the Option Holder in the form of a deed substantially in the form set out in schedule 2 to these Rules and if it is an EMI Option containing the information required by Schedule 5;

"Option Holder" a person who holds an Option or (where the context admits) his personal representatives;

“Option Price”	the price at which each Share may be acquired on the exercise of an Option determined by the Board at the Date of Grant being not substantially less than the Market Value and, subject to Rule 10, not less than the nominal value of the Share where the Shares are to be acquired by direct issue from the Company;
“Qualifying Option”	an option which at the time of grant meets the requirements of Schedule 5 and in respect of which a Notice of Grant is executed;
“Qualifying Subsidiary”	has the meaning given in paragraph 11 of Schedule 5;
“Redundancy”	termination of employment by reason of redundancy in accordance with Section 139 Employment Rights Act 1996;
“Relevant CSOP Option”	an option to acquire shares under a scheme approved pursuant to the provisions of Schedule 4 ITEPA;
“Rules”	these rules of the Scheme as from time to time altered pursuant to the provisions of Rule 11;
“Sale”	the making of one or more agreements (whether conditional or not) for an acquisition of the Capital of the Company giving rise to a change of Control of the Company;
“Schedule 5”	Schedule 5 ITEPA;
“Scheme”	means the NuCana Biomed Limited Share Option Scheme;
“Secondary NIC Liability”	any employer’s secondary NIC charge arising on the exercise or release of an Option;
“Share”	a fully paid ordinary share of the Company;
“Subsidiaries”	a subsidiary as defined under section 736 Companies Act 1985;
“Tax Liabilities”	any income tax and NIC charge arising as a consequence of the exercise or release of the Option or in respect of the Shares acquired

	pursuant to the exercise of such options and including arising under a Joint Election or receipt of money or money's worth in connection with such Options or the acquired Shares, for which the Company or a Group Member has accounted or is required to account for to HMRC and including, unless otherwise stated, where permitted by law the employer's national insurance contributions (or their equivalent);
"TCGA"	the Taxation of Chargeable Gains Act 1992;
"UK Listing Authority"	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI Financial Services and Markets Act 2000;
"Unapproved Option"	an option to acquire Shares granted under this Scheme and subject to these Rules which: (a) is designated an Unapproved Option; and/or (b) does not fall within the provisions of Schedules 3, 4 or 5 ITEPA and does not satisfy the EMI Code but in respect of which these Rules apply.

1.2 Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine gender.

1.3 Rule headings are inserted for convenience only and are to be ignored in construing these Rules.

1.4 References in these Rules to any statute shall be deemed to include every modification, amendment and/or re-enactment by statute or sub-ordinate legislation for the time being in force.

1.5 References in these Rules to "**month'** shall be deemed to be references to a calendar month.

2. PROVISIONS RELATING TO THE GRANT OF OPTIONS

2.1 In its absolute discretion, the Board has the power to grant Options (whether EMI Options or Unapproved Options) under the Scheme to Eligible Employees:

(a) subject to the limitations and conditions contained in these Rules;

(b) provided they are not prohibited by law; and

(c) for commercial reasons in order to recruit or retain an Eligible Employee in the Group.

2.2 The procedure for granting Options shall be as follows:

(a) the Board shall by resolution:

(i) select a number of Eligible Employees to whom Options shall be granted and the intended Date of Grant;

(ii) determine the maximum number of Shares which each such Eligible Employee shall be entitled to acquire on the exercise of the Options;

(iii) determine the Option Price, the periods during which Options may be exercised, and any Exercise Conditions to apply to the option to be granted;

(iv) specify which Options shall be EMI Options or Unapproved Options;

(v) determine if the Option Holder is to indemnify against secondary NIC Liability under Rule 2.6;

(b) the Board shall send to each selected Eligible Employee the following documents to invite him or her to enter into an Option Agreement:

(i) a Letter of Invitation;

(ii) a copy Letter of Invitation (to sign and return);

(iii) an Option Agreement;

(iv) a Notice of Grant;

(v) a copy of the Rules;

(vi) any Explanatory Notes (if prepared); and

(vii) the Articles of Association of the Company;

(c) the Option Agreement must be duly executed by the Company and the Eligible Employee within 14 days of the date of the Letter of Invitation (or such other date determined by the Board) and the date when the Option Agreement is duly executed shall be the date of the Date of Grant.

2.3 The Option Agreement shall serve as evidence of the grant of the Option and accordingly no further certificate shall be issued to the Option Holder.

2.4 The Option shall state if the Option is being granted as an EMI Option, or to what extent it is being granted as an EMI Option; otherwise it shall be granted as an Unapproved Option.

2.5 If an Option Agreement is not duly executed as required under Rule 2.2 within the time limit specified the terms of the Letter of Invitation shall immediately lapse at the end of the period referred to therein and the Option shall not be granted nor be deemed to have been granted to the Eligible Employee.

2.6 It shall be a condition of the grant of an Option that the Option Holder:

(a) indemnifies the Company and any other Group Member to the extent permitted by law against any Tax Liabilities and where the Board so requires Secondary NIC Liability **(**together referred to as **"Liabilities"**); and

(b) enters into a Joint Election should the Board so require at any time prior to and as a condition of the exercise of the Option.

3. LIMITS AND OTHER RESTRICTIONS OF THE SCHEME RULES

3.1 An EMI Option granted to an Eligible Employee under these Rules shall be limited and take effect so that the aggregate Market Value at the Date of Grant of Shares which may be acquired on the exercise of that EMI Option when added to:

(a) the aggregate Market Value at the Date of Grant of Shares which may be acquired on the exercise of Qualifying Options granted to him pursuant to the Scheme and Any Other EMI Scheme; and

(b) the aggregate Market Value at Date of Grant of Shares which may be acquired on the exercise of any Relevant CSOP Option held by such Eligible Employee at the Date of Grant

shall not exceed £120,000 or such other sum as determined under paragraph 5 Schedule 5.

3.2 To the extent that the aggregate Market Value of Shares under any EMI Option exceeds such sum as referred to in Rule 3.1, any Option granted over Shares representing the excess shall be granted under an Unapproved Option.

3.3 Pursuant to Rule 3.1 the Market Value of Shares shall be calculated at the time the options in relation to those Shares is granted or such other time as agreed in writing by HMRC.

3.4 If an Eligible Employee has previously been granted Qualifying Options under the Scheme or Any Other EMI Scheme over Shares with an aggregate Market Value of £120,000 as referred to in Rule 3.1 above (including EMI Options which have since been exercised or released) then any Option which shall be granted to such Eligible Employee within three years of the Date of Grant of the last such Qualifying Option shall be an Unapproved Option.

3.5 No Option shall be granted at a date more than ten years after the Adoption Date without further authorisation by the Company in general meeting.

3.6 Notwithstanding any other provisions of these Rules the Company may not issue Qualifying Options under the Scheme or any Other EMI Scheme such that the Market Value at the date of grant of Shares subject to such Qualifying Options exceeds £3 million or such other sum as determined under paragraph 7 Schedule 5.

4. NON-ASSIGNABILITY OF OPTIONS

Except as otherwise specifically provided in these Rules, each Option shall be exercisable only by the Option Holder to whom it is granted and may not be transferred, assigned or charged, and on any purported transfer, assignment or charge the Option shall automatically lapse.

5. EXERCISE CONDITIONS

5.1 Exercise Conditions (if any) shall be:

(a) in respect of dates or events or profits or individual or collective performance criteria for a period which begins no earlier than the start of the accounting period in which the Date of Grant falls; and

(b) capable of independent objective assessment with a view to determining whether they have been satisfied; and

(c) set out in detail at the Date of Grant in the Option Agreement.

5.2 Different Exercise Conditions may be specified in respect of different numbers of the Shares comprised in the same Option.

5.3 Subject to the provisions of these Rules where an Option has been granted subject to Exercise Conditions, the Board shall as soon as reasonably practicable following the satisfaction of any Exercise Conditions give written notice to inform the Option Holder concerned that his Option has become exercisable subject always to the provisions of Rule 6.

5.4 Where events happen which cause the Board to consider that the Exercise Conditions are no longer appropriate, or the Board at its entire discretion so decides, it may:

(a) vary the Exercise Conditions provided that the new Exercise Conditions are not more difficult to satisfy than the original Performance Conditions; or

(b) remove the Exercise Conditions as a requirement of the exercise of the Option;

PROVIDED that the Option Holder is given notice in writing of the variation or removal as soon as practicable.

6. EXERCISE OF OPTION

6.1 An Option shall be exercised:-

(a) pursuant to the terms of exercise set out in the Option Agreement; and

(b) by lodging with the Company Secretary or such other person as the Board may specify, the relevant Option Agreement, a duly completed Notice of Exercise and (subject to Rule 8.6) the payment required in respect of the Option Price and any Tax Liabilities and secondary NIC liability.

6.2 Lapse of Options

An Option shall cease to be exercisable and shall lapse forthwith on the occurrence of the following events:-

(a) 5pm on the day before the tenth anniversary of the grant of the Option;

(b) the Option Holder does or suffers any act or thing (including bankruptcy) whereby he would or might be deprived of the legal or beneficial ownership of the Option;

(c) the lapsing events referred to in Rules 4, 7, 8 and 9.

6.3 Result of Exercise of Options

(a) Subject to:

(i) the obtaining of any necessary consent from H.M. Treasury, the Bank of England, the UK Listing Authority, the London Stock Exchange Plc or other relevant authority;

(ii) the terms of any such consent;

(iii) receipt by the Company of the appropriate payment for Shares to be acquired on exercise in full

the Company shall (subject to Rule 8.7) within 30 days of receipt by the Company Secretary of a valid Notice of Exercise issue to or arrange the transfer to the Option Holder the number of Shares in respect of which the Option has been exercised (but if during a Close Period such issue or transfer shall be effected as soon as reasonably practicable after the end of the Close Period).

(b) The Board shall at all times keep available sufficient unissued Shares or shall procure that there are available sufficient Shares to satisfy the exercise of all Options granted under the Scheme. For this purpose the Board may enter into an agreement with any individual, company or the trustees of any employee benefit trust for the provision by such persons of Shares to satisfy Options. In such case, and if appropriate, the Option Price payable by the Option Holder shall be received by a member of the Board as trustee for such persons (to whom it shall account) and the Board shall procure the transfer of Shares by such persons upon exercise of the Option.

(c) All Shares issued on exercise of Options shall on issue rank equally in all respects with the Company's existing Shares of the same class, save that the Shares issued under the Scheme will not rank for any dividends or other distributions declared or recommended the record date for which falls on or prior to the date when the Option is exercised.

6.4 Tax Liability

(a) It being a condition of the grant of an Option that each Option Holder indemnifies the Company and any other Group Member against Tax Liabilities and/or secondary NIC Liabilities ("Liabilities") pursuant to Rule 2.6(a), to the extent that the Liabilities cannot be (or are not) deducted from payments made by the Company or Group Member to the Option Holder, the Company shall be authorised by the Option Holder:-

(i) to retain and sell on the Option Holder's behalf sufficient Shares issued or acquired on exercise of the Option to raise the necessary funds to meet and to apply such funds in discharging the Liabilities or reimbursing the Company or the relevant Group Member; and/or

(ii) to make such other arrangements with the Option Holder in question as the Board deems appropriate for the reimbursement to the Company or relevant Group Member of the Liabilities.

7. DEATH OF OPTION HOLDER

Subject to Rule 6.2 and subject to Rule 5:

7.1 If an Option Holder dies before exercising an Option or part thereof, the Option may (and must, if at all) be exercised by his personal representatives to the extent that any Exercise Conditions have been met within the period ending on the earlier of:

(a) the expiry of 12 months after the date of death; and

(b) the time referred to in Rule 6.2(a),

and failing such exercise the Option shall lapse.

8. CHANGE OF CONTROL, AND SALE OF THE COMPANY

8.1 **Change of Control** - If:

(a) any person or group of persons acting in concert obtains Control of the Company as a result of making:

(i) an offer to acquire more than 50% of the Capital of the Company which is made on a condition such that if it is satisfied the person or group of persons will have Control of the Company; or

(ii) a general offer to acquire all the Capital (or all the shares which are of the same class of those to which the Option relates); or

(b) any person becomes entitled or bound to acquire shares in the capital of the Company under Sections 428 to 430F of the Companies Act 1985; or

(c) under Section 425 of the Companies Act 1985 the court sanctions a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;

and if the Option Agreement allows for exercise of the Option on a Change of Control, an Option Holder (or his personal representative) may at any time during the three days prior to or within the Appropriate Period, exercise any Option or part thereof which has not lapsed. Any Option which is not so exercised shall lapse at the expiry of the Appropriate Period.

8.2 Replacement Options:

(a) If a company (in this Rule called the **"Acquiring Company")** has acquired Control of the Company as a result of any of the events described in Rule 8.1(a) or 8.1(c), or becomes entitled or bound as mentioned in Rule 8.1(b) or obtains all the shares of the Company whose shares are subject to any outstanding Qualifying Options as a result of a qualifying exchange of shares (as defined in paragraph 40(1) Schedule 5) (such acquiring of Control or becoming entitled or bound or obtains, being referred to below as a **"Specific Event"),** any Option Holder may by agreement with the Acquiring Company at any time within the Appropriate Period as defined in Rule 8.3 below release his rights in respect of any EMI Option held by him (in this Rule referred to as the **"Old Option")** in consideration of the grant to him of rights (in this Rule referred to as the **"Replacement Option")** which are equivalent and relate to shares in the Acquiring Company, and which comply with Rule 8.2(b).

(b) A Replacement Option is one in relation to which the requirements of paragraph 43 of Schedule 5 are satisfied at the time of release of the Old Option including grant by reason of the Option Holder's employment with the Acquiring Company.

8.3 "**Appropriate Period"** means:

(a) in a case falling within Rule 8.1(a) and where Rule 8.1(b) does not apply, the period of six months beginning with the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made is satisfied;

(b) in a case falling within Rule 8.1(b) the period during which the person remains bound or entitled as mentioned in that paragraph; and

(c) in a case falling within Rule 8.1(c) the period of six months beginning with the time when the court sanctions the compromise or arrangement.

8.4 If a Replacement Option shall be granted to an Option Holder by reference to any Specific Event, Rules 8.1(a), 8.1(b) and 8.1(c) above shall cease to apply by reference to that Specific Event (but

without prejudice to their application by reference to any other Specific Event). Any EMI Option which is not exercised or released pursuant to this Rule within the Appropriate Period following a Specific Event (but not any Replacement Option granted by reference to that Specific Event) shall lapse.

8.5 **Sale:** If the Option Agreement allows for exercise of the Option on a Sale, in the event that the Board becomes aware that there may be a Sale of the Company they shall give notice (a "**Sale Notice**") in writing to the Option Holder specifying that a Sale may be forthcoming and that the Option will lapse immediately following the sale if not exercised prior to completion of the Sale unless a Replacement Option is offered to the Option Holder in accordance with Clause 8.2 (or unless some other form of replacement option is offered by the prospective purchaser).

8.6 At any time after receipt of a Sale Notice under Clause 8.5 and prior to completion of the Sale, the Option Holder may exercise the Option in accordance with Clause 6 but only on the basis that the Option Holder agrees to sell to the purchaser on completion of the Sale all the Shares acquired as a result of the exercise of the Option. Any such Exercise Notice from the Option Holder shall be accompanied by a cheque for the aggregate Option Price but shall specify the number of Shares over which the Option Holder wishes to exercise his Option, and any such notice may not be withdrawn without the consent of the Board.

8.7 Completion of the subscription for, or transfer of, the Shares shall take place prior to completion of the Sale and the Company shall issue and allot the relevant Shares in favour of the Option Holder and shall register such issue and allotment or transfer prior to completion of the Sale.

8.8 In the event that the Sale proceeds are received directly by the Option Holder, the Option Holder undertakes to reimburse the Company (or any other Group Company) for a sum equal to the aggregate Option Price, along with any Tax liabilities and/or secondary NIC Liability that may be due in relation to the exercise of the Option, whether by deduction under clause 6.4 or otherwise.

8.9 Clauses 8.5 to 8.8 above dealing with a Sale shall take priority over Clause 8.1 dealing with other forms of Change of Control and for the avoidance of doubt in the event of a Sale, Clause 8.1 will not apply but clauses 8.2 to 8.4 may apply.

9. WINDING-UP OF THE COMPANY

9.1 If at any time while any Option remains unexercised notice is duly given of a general meeting of the Company at which a resolution will be proposed for the voluntary liquidation of the Company, every Option which has not lapsed prior to such resolution shall be exercisable in whole or in part until the commencement of such winding-up within the meaning of Section 86 of the Insolvency Act 1986.

9.2 Pursuant to the above Rule 9.1 the Company shall give to each Option Holder holding any unexercised Option notice of any meeting called for the purpose of considering a resolution for the voluntary liquidation of the Company and shall at the same time give him notice of his rights under this Rule 9 and subject to the foregoing, all Options shall lapse on the commencement of any liquidation of the Company.

10. VARIATION OF CAPITAL

10.1 Subject to Rules 10.3 and 10.4 below, in the event of any increase or variation of the Capital (whenever effected) by way of capitalisation or rights issue, or sub-division, consolidation or reduction, the Board may make such adjustments as they consider appropriate under Rule 10.2 below.

10.2 An adjustment made under this Rule 10 shall be to one or more of the following:

(a) the number of Shares in respect of which any Option granted under the Scheme may be exercised;

(b) the price at which shares may be acquired by the exercise of any such Option;

(c) where any such Option has been exercised but no Shares have been transferred pursuant to such exercise, the number of Shares which may be so transferred and the price at which they may be acquired.

10.3 Except in the case of a capitalisation issue or variations to the Capital as a consequence of any sub-division or consolidation, no adjustment under Rule 10.2 above shall be made without the prior confirmation in writing by the Auditors or other share valuers to the Board that it is in their opinion fair and reasonable.

10.4 No adjustment under Rule 10.2 above shall be made

(a) which would affect EMI Options which are Qualifying Options without the prior approval of HM Revenue and Customs if so required;

(b) as a result of which the aggregate amount payable on the exercise of an Option in full would be materially increased or materially reduced.

10.5 An adjustment under Rule 10.2 above may have the effect of reducing the price at which Shares may be acquired by the exercise of the Option to less than their nominal value, but only if and to the extent that the Board shall be authorised to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercised and which are to be allotted pursuant to such exercise exceeds the price at which the same may be subscribed for, and to apply such sum in paying up such amount on such Shares, and so that on exercise of any Option in respect of which such a reduction shall have been made, the Board shall capitalise such sum (if any) and apply the same in paying up such amount as aforesaid.

10.6 As soon as reasonably practicable after making any adjustment under Rule 10.2 above, the Board shall give notice in writing thereof to each Option Holder.

11. ALTERATIONS TO THE RULES

11.1 The Board may by resolution at any time make any alteration to the Rules which it thinks fit subject to the provisions of this Rule 11.

11.2 No such alteration which would affect an EMI Option which is a Qualifying Option shall take effect if the result would be:

(a) to increase the aggregate Market Value of the Shares that are the subject of such Qualifying Option; or

(b) that the requirements of Schedule 5 would cease to be met in relation to such EMI Option.

11.3 No alteration shall be made which would materially increase the liability of any Option Holder or which would materially decrease the value of his subsisting rights attached to any Option without in each case that Option Holder's prior written consent.

11.4 Any alteration shall take effect without the requirement for the prior approval of the shareholders of the Company, except as otherwise required by applicable law and/or the rules of any securities exchange on which the Shares (or securities representing Shares) may be listed.

11.5 As soon as reasonably practicable after making any alteration under Rule 11.1 above the Board shall give notice in writing thereof to each Option Holder.

12. MISCELLANEOUS

12.1 Any Option granted pursuant to the Rules shall not form part of the contract of employment of any person who participates in the Scheme. The rights and obligations of any individual under the terms of his office or employment with any Group Member shall not be affected by his participation in the Scheme or any right which he may have to participate therein, and an individual who participates therein shall waive any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever (including unfair or wrongful dismissal) insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to exercise any Option under the Scheme as a result of such termination. No such participation, rights or benefits shall be taken into account for the purposes of calculating the amount payable to any pension fund. Options granted pursuant to the Scheme shall not constitute any representation or warranty that any benefit will accrue to any individual who is granted an Option.

12.2 The Scheme shall in all respects be administered by the Board who may from time to time make and vary such rules and regulations for its conduct not inconsistent with these Rules and may from time to time establish such procedures for administration and implementation of the Scheme and Rules as it thinks fit, and in the event of any dispute or disagreement as to the interpretation of the Rules, or of any rule, regulation or procedure, or as to any question or right arising from or related to the Scheme, the decision of the Board shall be final and binding upon all persons (subject to the written concurrence of the Auditors having been obtained when so required by the Rules).

12.3 Any Group Member may provide money to the trustees of any trust or any other person to enable them or him to acquire shares to be held for the purposes of the Scheme, or enter into any guarantee or indemnity for these purposes, to the extent permitted by section 153 of the Companies Act 1985.

12.4 In any matter in which they are required to act under the Rules, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Acts 1950 to 1996 shall not apply to these Rules.

12.5 Any notice or other communication under or in connection with the Rules may be given by personal delivery or by sending the same by post, in the case of a company to its registered office and in the case of an individual to his last known address, or, where he is a director or employee of a Company participating in the Scheme, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment, and where a notice or other communication is given by first-class post, it shall be deemed to have been received 48 hours after it was put into the post properly addressed and stamped.

12.6 The costs of introducing and administering the Scheme shall be borne by the Company or any Group Member.

12.7 The Board shall maintain all necessary books of account and records relating to the Scheme.

12.8 Subject to the Articles of Association of the Company, an Option Holder who is a director of the Company may, notwithstanding his interest, vote on any resolution concerning the Scheme (other than in respect of his own participation therein) and may retain any benefits under the Scheme.

13. GOVERNING LAW

The Rules and the Scheme shall in all respects be governed by the laws of England.

SCHEDULE 1
Form of Letter of Invitation

[On Company Notepaper]

Dear [name of employee]

NUCANA BIOMED LIMITED SHARE OPTION SCHEME ("SCHEME")

I am pleased to advise you that the Board of directors of NuCana Biomed Limited (**"Company"**) has resolved to invite you to apply for the grant of an EMI Option pursuant to the terms of the Rules of the Scheme and the attached Option Agreement to acquire ● ordinary shares of ● pence each of the Company (**"Shares"**) at an exercise price of ● pence per Share (**"Option Price"**) as agreed with HM Revenue and Customs for the purposes of the grant of an EMI Option under the Scheme as the Market Value of a Share at the Date of Grant.

Enclosed with this letter you will find:-

1. Copy Letter
2. Option Agreement
3. Exercise Notice
4. Notice of Grant (HMRC form)
5. Rules of the Scheme
6. Explanatory Notes
7. Articles of Association of the Company

You should read the enclosed Option Agreement and Rules carefully and, if you wish to accept the EMI Option, sign the Option Agreement in the presence of an independent witness (who should add his or her name, address and occupation where indicated). Please do not date the Option Agreement. Return the Option Agreement to the Company Secretary at ● no later than 14 days from the date of receipt this letter.

If you do not return the duly signed Option Agreement to the Company Secretary within 14 days then this invitation will lapse and you will no longer be entitled to the EMI Option.

If you do return a duly signed Option Agreement to the Company Secretary within 14 days the EMI Option will be granted to you on [ ] days from date of invitation. *NOTE the date of the Option Agreement should correspond with this date.*

Note that the Option Agreement includes a requirement that you indemnify the Company in respect of any income tax collectible under PAYE and employee's national insurance contributions charges which may arise on exercise of your EMI Option (**"Tax Liability"**). This is referred to in Rule 2.6(a) which you should read. The Option Agreement also requires you to enter into a Joint Election relating to restricted shares, if required by the Company.

Following receipt of the duly executed Option Agreement by the Company Secretary, it will be executed for and on behalf of the Company and dated. Then it will be returned to you for your safekeeping and should be kept as evidence of your entitlement to the EMI Option.

Please address any queries which you may have about the operation of the Scheme or the Option Agreement to the Company Secretary.

Yours sincerely

for and on behalf of

NUCANA BIOMED LIMITED

[On Company Notepaper]

Copy to sign and return

Dear [name of employee]

NUCANA BIOMED LIMITED SHARE OPTION SCHEME ("SCHEME")

I am pleased to advise you that the Board of directors of NuCana Biomed Limited **("Company")** has resolved to invite you to apply for the grant of an EMI Option pursuant to the terms of the Rules of the Scheme and the attached Option Agreement to acquire ● ordinary shares of ● pence each of the Company (**"Shares"**) at an exercise price of ● pence per Share (**"Option Price"**) as agreed with HM Revenue and Customs for the purposes of the grant of an EMI Option under the Scheme as the Market Value of a Share at the Date of Grant.

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If you do return a duly signed Option Agreement to the Company Secretary within 14 days the EMI Option will be granted to you on [ ] days from date of invitation. *NOTE the date of the Option Agreement should correspond with this date.*

Note that the Option Agreement includes a requirement that you indemnify the Company in respect of any income tax collectible under PAYE and employee's national insurance contributions charges which may arise on exercise of your EMI Option (**"Tax Liability"**). This is referred to in Rule 2.6(a) which you should read. The Option Agreement also requires you to enter into a Joint Election relating to restricted shares, if required by the Company.

Following receipt of the duly executed Option Agreement by the Company Secretary, it will be executed for and on behalf of the Company and dated. Then it will be returned to you for your safekeeping and should be kept as evidence of your entitlement to the EMI Option.

Please address any queries which you may have about the operation of the Scheme or the Option Agreement to the Company Secretary.

Yours sincerely

for and on behalf of

NUCANA BIOMED LIMITED

Signed: _____(employee)

Dated:_____

Form of Option Agreement

This Agreement which is in the form of a deed is made the day of 200●

BETWEEN

(1) **NuCana Biomed Limited** (03308778) whose registered office is at Butler & Co Accountants, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU (**"Company"**); and

(2) [employee name] of [employee address] who will become "the Option Holder"

RECITALS

A. This EMI/Unapproved Option is granted subject to the rules of the NuCana Biomed Limited Share Option Scheme, and is granted pursuant to Schedule 5 ITEPA 2003 (**"Scheme"**).

B. A copy of the rules which is appended to this Agreement provides for the grant of options for commercial reasons in order to recruit and retain key employees (**"Rules"**).

NOW THIS AGREEMENT WITNESSES

1. In this Agreement the definitions in the Rules shall apply.

2. The Company hereby grants to the Option Holder the EMI Option to acquire a maximum of [ ] Shares, at an Option Price of * per Share.

3 **Exercise**

3.1 The options shall be exercisable as follows:

- X options may be exercised at any time after 12 months from the date of grant
- a further X options may be exercised at any time after 24 months from the date of grant
- the final X options may be exercised at any time after 36 months from the date of grant

3.2 All unexercised options will also be able to be exercised on the occasion of Admission, a change of control, or sale of the company.

4. The EMI/Unapproved Option may not be exercised:

4.1 after the time in Rule 6.2(a);

4.2 from the date the Option Holder ceases to be an employee of the Company or of any Qualifying Subsidiary [except to the extent provided in Rule 7;

4.3 following a Change of Control or a Sale of the Company except to the extent provided in Rule 8;

4.4 following the commencement of the winding up of the Company as set out in Rule 9.

5. The EMI/Unapproved Option will lapse on the occurrence of any of the events as set out in Rule 6.2.

6. To exercise the EMI/Unapproved Option the Option Holder must lodge with the Company Secretary of the Company (or such other person as the Company may from time to time notify to the employee in writing):

6.1 this Option Agreement;

6.2 a duly completed Notice of Exercise in the form appended to this Option Agreement;

6.3 where required by the Company, a duly completed Joint Election; and

6.4 a cheque made payable to the Company in respect of the Option Price.

7. The employee hereby:

7.1 covenants with the Company to allow the Company to recover from the Option Holder **Tax Liabilities** arising in connection with or as a result of the exercise of the EMI/unapproved Option and to indemnify and keep indemnified on a continuing basis the Company and any Group Member in respect of such Tax Liabilities and for the purposes of such indemnity:

7.2 hereby authorises the Company to deduct sufficient funds which, in the reasonable opinion of the Board, would be equal to any Tax Liabilities from any payment made to or in respect of the Option Holder by it or any Group Member during the same calendar month or other relevant period in which such Tax Liabilities arise. If there is no such payment made or the Tax Liabilities exceed the amount of such payment the Option Holder hereby agrees to pay the full amount of the Tax Liabilities or any such excess (as the case may be) in cleared funds within seven days of a valid demand by the Company or any Group Member; and

7.3 appoints a member of the Board as his [trustee] for the purposes of providing the Company or any Group Member (as appropriate) with sufficient funds to recover any Tax Liabilities by receiving on trust or retaining on trust (as the case may be) (out of the total number of Shares to which the Option Holder is entitled following the relevant exercise of the EMI/unapproved Option) the legal title to and selling such number of Shares as, in the reasonable opinion of the Board, is required to realise a cash amount equivalent to the Tax Liabilities and the Option Holder hereby covenants to pay to the Company, should such sale realise a cash amount less than the Tax Liabilities, an amount equal to the difference within seven working days of demand by the Company.

8. The EMI/unapproved Option is exercisable only by the Option Holder (or his personal representatives) and may not be transferred, assigned or charged and the EMI/unapproved Option will lapse on the occasion of any assignment, charge, disposal or other dealing with the rights conveyed by it.

9. The Company has agreed or will agree the Market Value of a Share for the purposes of this Scheme as at the Date of Grant with HM Revenue and Customs.

10. A person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

11. The Shares which will be acquired when the Option is exercised are subject to the terms and restrictions set out in the Company's articles of association, and a copy of the current articles of association is attached.

APPENDIX

Form of Notice of Exercise

Please read the notes at the foot of his form carefully before completing it

To: The Secretary
NuCana Biomed Limited

I, the undersigned[1], having become entitled so to do, hereby exercise the EMI Option referred to in the attached Agreement in respect of Shares comprised in the EMI/Unapproved Option upon the terms of the NuCana Biomed Limited Share Option Scheme (**"Scheme"**) and agree to accept the Shares to be allotted and issued pursuant to this Notice of Exercise subject to and in accordance with the memorandum and articles of association of the Company and hereby request you to place my name on the register of members in respect thereof.

I enclose a remittance for £[2] being the aggregate Option Price payable for the Shares in respect of which the EMI/Unapproved Option is now exercised, the Option Price (per Share) being [ ].

I understand that income tax and NIC (referred to as a Tax Liabilities in the Rules of the Scheme) may need to be accounted for by the Company to HM Revenue and Customs on this exercise and in respect of which I have indemnified the Company. I further understand that the Company has an obligation to deduct, insofar as possible, the amount of any Tax Liabilities from payments that it makes to me and I authorise the Company to make such deductions from my salary.

(please tick as appropriate[3])

☐ I wish to make a cash payment to the Company in respect of the outstanding Tax Liabilities (after deduction by the Company) arising from this exercise and enclose a second cheque made payable to the Company for £●.

☐ I authorise the Company to retain and to sell on my behalf sufficient Shares so as to realise an amount sufficient to discharge the Tax Liabilities arising from this exercise.

If applicable, I hereby request you to despatch a balance certificate for the [EMI/Unapproved] Option to subscribe for any Shares included in the [EMI/Unapproved] Option referred to overleaf and not exercised on this occasion, by post at my risk to the address mentioned below.

Signature: _____ Date:_____

Surname: _____

Forename(s): _____

Address: _____
_____
_____
_____

[If the shares are restricted under ITEPA the Option Holder should be required to enter into a Joint Election with the Company to which this Exercise Notice should refer.]

1 Although the Option referred to overleaf is personal to the holder named overleaf it may be exercised by his personal representative(s) if he dies while the Option is still capable of exercise provided the personal representative(s) does/do so before the expiration of 12 months from the date of the Option Holder's death or 10 years from the date of its grant (if sooner). If there are more than one, each of the personal representatives must sign this form. A copy of the Grant of Probate must be provided with the completed Notice of Exercise.

2 The remittance should be for an amount equal to the Option Price per Share shown overleaf, multiplied by the number of Shares applied for.

3 Please tick the appropriate box. If you fail to tick a box or if you tick the first box but your cash payment or next month's salary are insufficient to cover the full liability, the Company will retain and sell sufficient shares to cover the liability or shortfall or will withhold the transferring of the shares to you until the full tax liabilities have been met by you.

In Witness whereof the parties have signed this Agreement on the date specified above:

EXECUTED as a **DEED**)
but not delivered until the date hereof)
for and on behalf of **THE COMPANY**)

Director

Director/Secretary

SIGNED as a **DEED**)
but not delivered until the date hereof)
by ●)
in the presence of:)

Name of Witness _____
Address _____
_____
_____
_____

RULES OF THE

NuCana BioMed Limited

SHARE OPTION SCHEME (INCLUDING ENTERPRISE MANAGEMENT INCENTIVES)

Approved and Adopted by the Board of NuCana BioMed Ltd

On 3rd July 2012

As amended on 14 September 2017 and on [•] 2017

CONTENTS

NuCana Biomed Limited

SHARE OPTION SCHEME

RULES

(INCLUDING ENTERPRISE MANAGEMENT INCENTIVES)

1. INTERPRETATION

1.1 In these Rules (unless the context otherwise requires) the following words and expressions shall have the following meanings:

"Admission"	the admission of part of or the entire issued share capital of the Company (or any holding company of the Company) to listing on the Official List of the UK Listing Authority and to trading on the market for listed securities of London Stock Exchange plc, or to trading on AIM or to trading on any recognised investment exchange (as that term is defined in S841 ICTA)
"Adoption Date"	the date on which the Scheme is adopted by the Board/Company;
"AIM"	the market of that name operated by the London Stock Exchange Plc;
"Any Other EMI Scheme"	any scheme (other than the Scheme) adopted by the Company or any Group Member or by the Board which provides for the grant of options to acquire Shares which are Qualifying Options;
"**Any Other Scheme**"	any scheme (other than the Scheme) approved by the Company in general meeting or adopted by the Board which provides for the acquisition of Shares by or on behalf of employees or directors of the Group;
"**Appropriate Period**"	as defined in Rule 8.3;
"**Associated Company**"	has the meaning given to that expression by Section 416 ICTA;

"**Auditors**"	the auditors for the time being of the Company (acting as experts and not as arbitrators);
"Board"	the board of directors for the time being of the Company or a committee thereof duly authorised for the purposes of the Scheme;
"Capital"	issued ordinary share capital of the Company;
"Close Period"	any period where there are restrictions on dealing in the shares as stipulated by a relevant authority including under the rules of AIM;
"Company"	NuCana BioMed Limited registered in the UK with registration number 03308778 and whose registered address is Butler & Co Accountants, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU;
"Control"	has the meaning given to it by Section 840 ICTA and **"Controlled"** shall have a similar meaning;
"Date of Grant"	the date on which an Option was or is to be granted under Rule 2;
"Eligible Employee"	An employee or director of the Company or of a Qualifying Subsidiary and additionally, in the case of an Option which is to be granted as an EMI Option, a person who also satisfies the requirements of paragraphs 25 and 26 of Schedule 5, and whose average amount per week of reckonable time in relevant employment (as defined in Section 535(3) ITEPA and paragraph 26 Schedule 5) during a tax year is not less than 25 hours a week or such other relevant statutory threshold;
"EMI Code"	the provisions set out in Sections 527 to 541 ITEPA (inclusive), Schedule 5 and Part 4 Schedule 7D TCGA;
"EMI Option"	a right (for the time being subsisting) to acquire Shares under the Scheme in accordance with these Rules and which is a Qualifying Option;

"Exercise Conditions"	conditions, if any, determined by the Board at the Date of Grant and as set out in the Appendix of the Option Agreement required to be satisfied before the Option can be exercised, such conditions being subject to the provisions set out in Rule 5;
"FSMA"	the Financial Services and Markets Act 2000;
"Good Leaver"	an Option Holder who ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary by reason: (a) of cessation of employment or office with any Group Member due to ill health, injury or disability, redundancy or retirement on reaching the age at which he is bound to retire in accordance with the terms of his contract of employment; or (b) only that his office or employment is in a company of which the Company ceases to have Control; or (c) his office or employment relates to a business or part of a business which is transferred to a person who is neither an Associated Company of the Company nor a company of which the Company has Control ; or (d) cessation of employment or office for any other reason, apart from summary dismissal with just cause.
"Group"	the Company and its Subsidiaries and **"Group Member"** shall be construed accordingly;
"HMRC"	HM Revenue and Customs;
"ICTA"	the Income and Corporation Taxes Act 1988;

"ITEPA"	the Income Tax (Earnings and Pensions) Act 2003;
"Joint Election"	means a joint election pursuant to Sections 425, 430 or 431 ITEPA;
"Letter of Invitation"	a letter substantially in the form set out in schedule 1 to these Rules provided by the Company to an employee inviting him to accept the grant of an Option;
"Market Value"	has the same meaning as it has for the purposes of Part VIII TCGA and which shall be deemed to be: (a) the middle market quotation of a Share as decided from the Official List for the dealing day immediately preceding the Date of Grant; or (b) (if the Shares are not for the time being so quoted) the price determined by the Board, as being the market value of a Share on the day prior to the day on which the Option in question is granted and, for an EMI Option agreed by Shares Valuation at HMRC;
"Material Interest"	means an interest in the Company as set out in paragraph 29 of Schedule 5;
"NIC"	national insurance contributions;
"Notice of Exercise"	a notice of exercise substantially in the form set out in the Appendix to the Option Agreement;
"Notice of Grant"	in the case of Options which are to be EMI Options, a notification to HMRC to be jointly signed by (a) the employer company of the Option Holder and (b) the Option Holder in such form required by HMRC from time to time;

“Official List”	the official listing as referred to in Part VI FSMA;
“Option”	an option to acquire Shares granted under these Rules, whether an EMI Option or an Unapproved Option;
“Option Agreement”	a written agreement between the Company and the Option Holder in the form of a deed substantially in the form set out in schedule 2 to these Rules and if it is an EMI Option containing the information required by Schedule 5;
“Option Holder”	a person who holds an Option or (where the context admits) his personal representatives;
“Option Price”	the price at which each Share may be acquired on the exercise of an Option determined by the Board at the Date of Grant [being not substantially less than the Market Value and, subject to Rule 10, not less than the nominal value of the Share where the Shares are to be acquired by direct issue from the Company;
“Qualifying Option”	an option which at the time of grant meets the requirements of Schedule 5 and in respect of which a Notice of Grant is executed;
“Qualifying Subsidiary”	has the meaning given in paragraph 11 of Schedule 5;
“Redundancy”	termination of employment by reason of redundancy in accordance with Section 139 Employment Rights Act 1996;
“Relevant CSOP Option”	an option to acquire shares under a scheme approved pursuant to the provisions of Schedule 4 ITEPA;
“Rules”	these rules of the Scheme as from time to time altered pursuant to the provisions of Rule 11;

"Sale"	the making of one or more agreements (whether conditional or not) for an acquisition of the Capital of the Company giving rise to a change of Control of the Company;
"Schedule 5"	Schedule 5 ITEPA;
"Scheme"	means the NuCana Biomed Limited Share Option Scheme;
"Secondary NIC Liability"	any employer's secondary NIC charge arising on the exercise or release of an Option;
"Share"	a fully paid ordinary share of the Company;
"Subsidiaries"	a subsidiary as defined under section 736 Companies Act 1985;
"Tax Liabilities"	any income tax and NIC charge arising as a consequence of the exercise or release of the Option or in respect of the Shares acquired pursuant to the exercise of such options and including arising under a Joint Election or receipt of money or money's worth in connection with such Options or the acquired Shares, for which the Company or a Group Member has accounted or is required to account for to HMRC and including, unless otherwise stated, where permitted by law the employer's national insurance contributions (or their equivalent);
"TCGA"	the Taxation of Chargeable Gains Act 1992;
"UK Listing Authority"	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI Financial Services and Markets Act 2000;
"Unapproved Option"	an option to acquire Shares granted under this Scheme and subject to these Rules which: (a) is designated an Unapproved Option; and/or (b) does not fall within the provisions of Schedules 3, 4 or 5 ITEPA and does not satisfy the EMI Code but in respect of which these Rules apply.

1.2 Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine gender.

1.3 Rule headings are inserted for convenience only and are to be ignored in construing these Rules.

1.4 References in these Rules to any statute shall be deemed to include every modification, amendment and/or re-enactment by statute or sub-ordinate legislation for the time being in force.

1.5 References in these Rules to "**month'** shall be deemed to be references to a calendar month.

2. PROVISIONS RELATING TO THE GRANT OF OPTIONS

2.1 In its absolute discretion, the Board has the power to grant Options (whether EMI Options or Unapproved Options) under the Scheme to Eligible Employees:

(a) subject to the limitations and conditions contained in these Rules;

(b) provided they are not prohibited by law; and

(c) for commercial reasons in order to recruit or retain an Eligible Employee in the Group.

2.2 The procedure for granting Options shall be as follows:

(a) the Board shall by resolution:

(i) select a number of Eligible Employees to whom Options shall be granted and the intended Date of Grant;

(ii) determine the maximum number of Shares which each such Eligible Employee shall be entitled to acquire on the exercise of the Options;

(iii) determine the Option Price, the periods during which Options may be exercised, and any Exercise Conditions to apply to the option to be granted;

(iv) specify which Options shall be EMI Options or Unapproved Options;

(v) determine if the Option Holder is to indemnify against secondary NIC Liability under Rule 2.6;

(b) the Board shall send to each selected Eligible Employee the following documents to invite him or her to enter into an Option Agreement:

(i) a Letter of Invitation;

(ii) a copy Letter of Invitation (to sign and return);

(iii) an Option Agreement;

(iv) a Notice of Grant;

(v) a copy of the Rules;

(vi) any Explanatory Notes (if prepared); and

(vii) the Articles of Association of the Company;

(c) the Option Agreement must be duly executed by the Company and the Eligible Employee within 14 days of the date of the Letter of Invitation (or such other date determined by the Board) and the date when the Option Agreement is duly executed shall be the date of the Date of Grant.

2.3 The Option Agreement shall serve as evidence of the grant of the Option and accordingly no further certificate shall be issued to the Option Holder.

2.4 The Option shall state if the Option is being granted as an EMI Option, or to what extent it is being granted as an EMI Option; otherwise it shall be granted as an Unapproved Option.

2.5 If an Option Agreement is not duly executed as required under Rule 2.2 within the time limit specified the terms of the Letter of Invitation shall immediately lapse at the end of the period referred to therein and the Option shall not be granted nor be deemed to have been granted to the Eligible Employee.

2.6 It shall be a condition of the grant of an Option that the Option Holder:

(a) indemnifies the Company and any other Group Member to the extent permitted by law against any Tax Liabilities and where the Board so requires Secondary NIC Liability **(**together referred to as **"Liabilities"**); and

(b) enters into a Joint Election should the Board so require at any time prior to and as a condition of the exercise of the Option.

3. LIMITS AND OTHER RESTRICTIONS OF THE SCHEME RULES

3.1 An EMI Option granted to an Eligible Employee under these Rules shall be limited and take effect so that the aggregate Market Value at the Date of Grant of Shares which may be acquired on the exercise of that EMI Option when added to:

(a) the aggregate Market Value at the Date of Grant of Shares which may be acquired on the exercise of Qualifying Options granted to him pursuant to the Scheme and Any Other EMI Scheme; and

(b) the aggregate Market Value at Date of Grant of Shares which may be acquired on the exercise of any Relevant CSOP Option held by such Eligible Employee at the Date of Grant

shall not exceed £120,000 or such other sum as determined under paragraph 5 Schedule 5.

3.2 To the extent that the aggregate Market Value of Shares under any EMI Option exceeds such sum as referred to in Rule 3.1, any Option granted over Shares representing the excess shall be granted under an Unapproved Option.

3.3 Pursuant to Rule 3.1 the Market Value of Shares shall be calculated at the time the options in relation to those Shares is granted or such other time as agreed in writing by HMRC.

3.4 If an Eligible Employee has previously been granted Qualifying Options under the Scheme or Any Other EMI Scheme over Shares with an aggregate Market Value of £120,000 as referred to in Rule 3.1 above (including EMI Options which have since been exercised or released) then any Option which shall be granted to such Eligible Employee within three years of the Date of Grant of the last such Qualifying Option shall be an Unapproved Option.

3.5 No Option shall be granted at a date more than ten years after the Adoption Date without further authorisation by the Company in general meeting.

3.6 Notwithstanding any other provisions of these Rules the Company may not issue Qualifying Options under the Scheme or any Other EMI Scheme such that the Market Value at the date of grant of Shares subject to such Qualifying Options exceeds £3 million or such other sum as determined under paragraph 7 Schedule 5.

4. NON-ASSIGNABILITY OF OPTIONS

Except as otherwise specifically provided in these Rules, each Option shall be exercisable only by the Option Holder to whom it is granted and may not be transferred, assigned or charged, and on any purported transfer, assignment or charge the Option shall automatically lapse.

5. EXERCISE CONDITIONS

5.1 Exercise Conditions (if any) shall be:

(a) in respect of dates or events or profits or individual or collective performance criteria for a period which begins no earlier than the start of the accounting period in which the Date of Grant falls; and

(b) capable of independent objective assessment with a view to determining whether they have been satisfied; and

(c) set out in detail at the Date of Grant in the Option Agreement.

5.2 Different Exercise Conditions may be specified in respect of different numbers of the Shares comprised in the same Option.

5.3 Subject to the provisions of these Rules where an Option has been granted subject to Exercise Conditions, the Board shall as soon as reasonably practicable following the satisfaction of any Exercise Conditions give written notice to inform the Option Holder concerned that his Option has become exercisable subject always to the provisions of Rule 6.

5.4 Where events happen which cause the Board to consider that the Exercise Conditions are no longer appropriate, or the Board at its entire discretion so decides, it may:

(a) vary the Exercise Conditions provided that the new Exercise Conditions are not more difficult to satisfy than the original Performance Conditions; or

(b) remove the Exercise Conditions as a requirement of the exercise of the Option;

PROVIDED that the Option Holder is given notice in writing of the variation or removal as soon as practicable.

6. EXERCISE OF OPTION

6.1 An Option shall be exercised:-

(a) pursuant to the terms of exercise set out in the Option Agreement; and

(b) by lodging with the Company Secretary or such other person as the Board may specify, the relevant Option Agreement, a duly completed Notice of Exercise and (subject to Rule 8.6) the payment required in respect of the Option Price and any Tax Liabilities and secondary NIC liability.

6.2 Lapse of Options

An Option shall cease to be exercisable and shall lapse forthwith on the occurrence of the following events:-

(a) 5pm on the day before the tenth anniversary of the grant of the Option;

(b) save in the case of (i) the death of the Option Holder; or (ii) as a result of the Option Holder being a Good Leaver, where the Option Holder has ceased to be an employee of the Company or of a Qualifying Subsidiary and the relevant period stated in Rule 7.2 has expired without the Board giving direction otherwise;

(c) the Option Holder does or suffers any act or thing (including bankruptcy) whereby he would or might be deprived of the legal or beneficial ownership of the Option;

(d) the lapsing events referred to in Rules 4, 7, 8 and 9.

6.3 Result of Exercise of Options

(a) Subject to:

(i) the obtaining of any necessary consent from H.M. Treasury, the Bank of England, the UK Listing Authority, the London Stock Exchange Plc or other relevant authority;

(ii) the terms of any such consent;

(iii) receipt by the Company of the appropriate payment for Shares to be acquired on exercise in full

the Company shall (subject to Rule 8.7) within 30 days of receipt by the Company Secretary of a valid Notice of Exercise issue to or arrange the transfer to the Option Holder the number of Shares in respect of which the Option has been exercised (but if during a Close Period such issue or transfer shall be effected as soon as reasonably practicable after the end of the Close Period).

(b) The Board shall at all times keep available sufficient unissued Shares or shall procure that there are available sufficient Shares to satisfy the exercise of all Options granted under the Scheme. For this purpose the Board may enter into an agreement with any individual, company or the trustees of any employee benefit trust for the provision by such persons of Shares to satisfy Options. In such case, and if appropriate, the Option Price payable by the Option Holder shall be received by a member of the Board as trustee for such persons (to whom it shall account) and the Board shall procure the transfer of Shares by such persons upon exercise of the Option.

(c) All Shares issued on exercise of Options shall on issue rank equally in all respects with the Company's existing Shares of the same class, save that the Shares issued under the Scheme will not rank for any dividends or other distributions declared or recommended the record date for which falls on or prior to the date when the Option is exercised.

6.4 Tax Liability

(a) It being a condition of the grant of an Option that each Option Holder indemnifies the Company and any other Group Member against Tax Liabilities and/or secondary NIC Liabilities ("Liabilities") pursuant to Rule 2.6(a), to the extent that the Liabilities cannot be (or are not) deducted from payments made by the Company or Group Member to the Option Holder, the Company shall be authorised by the Option Holder:-

(i) to retain and sell on the Option Holder's behalf sufficient Shares issued or acquired on exercise of the Option to raise the necessary funds to meet and to apply such funds in discharging the Liabilities or reimbursing the Company or the relevant Group Member; and/or

(ii) to make such other arrangements with the Option Holder in question as the Board deems appropriate for the reimbursement to the Company or relevant Group Member of the Liabilities.

7. LEAVER OR DEATH OF OPTION HOLDER

Subject to Rule 6.2 and subject to Rule 5:

7.1 If an Option Holder dies before exercising an Option or part thereof, the Option may (and must, if at all) be exercised by his personal representatives to the extent that any Exercise Conditions have been met within the period ending on the earlier of:

(a) the expiry of 12 months after the date of death; and

(b) the time referred to in Rule 6.2(a),

and failing such exercise the Option shall lapse.

7.2 Save (i) in the case of the Option Holders death (in which case Rule 7.1 applies); or (ii) where the Option Holder is a Good Leaver, if an Option Holder ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary then any Option not exercised by the time of such cessation shall immediately cease to be exercisable and shall lapse 90 days after such cessation unless within 90 days after cessation the Board in its absolute discretion shall permit the Option to be exercised in whole or in part within a specified period in which event the Option may be exercised by the Option Holder to the extent so permitted by the Board so long as it is prior to the time referred to in Rule 6.1(a), and failing such exercise the Option shall lapse.

7.3 An Option Holder shall not be treated for the purposes of these Rules as ceasing employment until such time as he is no longer a director or employee of the Company or of any Qualifying Subsidiary and an Option Holder (being a woman) who is absent from work by reason of pregnancy or confinement and who exercises her right to return to work under the Employment Rights Act 1996 before exercising an Option under the Scheme shall be treated for the purposes of these Rules as not having ceased to be such an employee.

7.4 For the purposes of these Rules, where an Option Holder's contract of employment with the Group is terminated by a Group Member without notice the Option Holder's employment shall be deemed to cease on the date on which the termination takes effect and where the said contract is terminated by notice given or received by a Group Member, the Option Holder's employment shall be deemed to cease on the date on which that notice is served.

7.5 Where an Option Holder ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary but notwithstanding that, the Option Holder remains entitled under these Rules to exercise the Options, then whilst the Option granted to the Option Holder may, as a result of the Option Holder ceasing to be an Eligible Employee, cease to qualify for tax advantages pursuant to the EMI Code for the period following such cessation, the Option itself will not lapse as a result of the Option Holder ceasing to be an Eligible Employee (save as otherwise provided for in these Rules).

8. CHANGE OF CONTROL, AND SALE OF THE COMPANY

8.1 **Change of Control** - If:

(a) any person or group of persons acting in concert obtains Control of the Company as a result of making:

(i) an offer to acquire more than 50% of the Capital of the Company which is made on a condition such that if it is satisfied the person or group of persons will have Control of the Company; or

(ii) a general offer to acquire all the Capital (or all the shares which are of the same class of those to which the Option relates); or

(b) any person becomes entitled or bound to acquire shares in the capital of the Company under Sections 428 to 430F of the Companies Act 1985; or

(c) under Section 425 of the Companies Act 1985 the court sanctions a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;

and if the Option Agreement allows for exercise of the Option on a Change of Control, an Option Holder (or his personal representative) may at any time during the three days prior to or within the Appropriate Period, exercise any Option or part thereof which has not lapsed. Any Option which is not so exercised shall lapse at the expiry of the Appropriate Period.

8.2 Replacement Options:

(a) If a company (in this Rule called the **"Acquiring Company")** has acquired Control of the Company as a result of any of the events described in Rule 8.1(a) or 8.1(c), or becomes entitled or bound as mentioned in Rule 8.1(b) or obtains all the shares of the Company whose shares are subject to any outstanding Qualifying Options as a result of a qualifying exchange of shares (as defined in paragraph 40(1) Schedule 5) (such acquiring of Control or becoming entitled or bound or obtains, being referred to below as a **"Specific Event"),** any Option Holder may by agreement with the Acquiring Company at any time within the Appropriate Period as defined in Rule 8.3 below release his rights in respect of any EMI Option held by him (in this Rule referred to as the **"Old Option")** in consideration of the grant to him of rights (in this Rule referred to as the **"Replacement Option")** which are equivalent and relate to shares in the Acquiring Company, and which comply with Rule 8.2(b).

(b) A Replacement Option is one in relation to which the requirements of paragraph 43 of Schedule 5 are satisfied at the time of release of the Old Option including grant by reason of the Option Holder's employment with the Acquiring Company.

8.3 "**Appropriate Period"** means:

(a) in a case falling within Rule 8.1(a) and where Rule 8.1(b) does not apply, the period of six months beginning with the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made is satisfied;

(b) in a case falling within Rule 8.1(b) the period during which the person remains bound or entitled as mentioned in that paragraph; and

(c) in a case falling within Rule 8.1(c) the period of six months beginning with the time when the court sanctions the compromise or arrangement.

8.4 If a Replacement Option shall be granted to an Option Holder by reference to any Specific Event, Rules 8.1(a), 8.1(b) and 8.1(c) above shall cease to apply by reference to that Specific Event (but without prejudice to their application by reference to any other Specific Event). Any EMI Option which is not exercised or released pursuant to this Rule within the Appropriate Period following a Specific Event (but not any Replacement Option granted by reference to that Specific Event) shall lapse.

8.5 **Sale:** If the Option Agreement allows for exercise of the Option on a Sale, in the event that the Board becomes aware that there may be a Sale of the Company they shall give notice (a "**Sale Notice**") in writing to the Option Holder specifying that a Sale may be forthcoming and that the Option will lapse immediately following the sale if not exercised prior to completion of the Sale unless a Replacement Option is offered to the Option Holder in accordance with Clause 8.2 (or unless some other form of replacement option is offered by the prospective purchaser).

8.6 At any time after receipt of a Sale Notice under Clause 8.5 and prior to completion of the Sale, the Option Holder may exercise the Option in accordance with Clause 6 but only on the basis that the Option Holder agrees to sell to the purchaser on completion of the Sale all the Shares acquired as a result of the exercise of the Option. Any such Exercise Notice from the Option Holder shall be accompanied by a cheque for the aggregate Option Price but shall specify the number of Shares over which the Option Holder wishes to exercise his Option, and any such notice may not be withdrawn without the consent of the Board.

8.7 Completion of the subscription for, or transfer of, the Shares shall take place prior to completion of the Sale and the Company shall issue and allot the relevant Shares in favour of the Option Holder and shall register such issue and allotment or transfer prior to completion of the Sale.

8.8 In the event that the Sale proceeds are received directly by the Option Holder, the Option Holder undertakes to reimburse the Company (or any other Group Company) for a sum equal to the aggregate Option Price, along with any Tax liabilities and/or secondary NIC Liability that may be due in relation to the exercise of the Option, whether by deduction under clause 6.4 or otherwise.

8.9 Clauses 8.5 to 8.8 above dealing with a Sale shall take priority over Clause 8.1 dealing with other forms of Change of Control and for the avoidance of doubt in the event of a Sale, Clause 8.1 will not apply but clauses 8.2 to 8.4 may apply.

9. WINDING-UP OF THE COMPANY

9.1 If at any time while any Option remains unexercised notice is duly given of a general meeting of the Company at which a resolution will be proposed for the voluntary liquidation of the Company, every Option which has not lapsed prior to such resolution shall be exercisable in whole or in part until the commencement of such winding-up within the meaning of Section 86 of the Insolvency Act 1986.

9.2 Pursuant to the above Rule 9.1 the Company shall give to each Option Holder holding any unexercised Option notice of any meeting called for the purpose of considering a resolution for the voluntary liquidation of the Company and shall at the same time give him notice of his rights under this Rule 9 and subject to the foregoing, all Options shall lapse on the commencement of any liquidation of the Company.

10. VARIATION OF CAPITAL

10.1 Subject to Rules 10.3 and 10.4 below, in the event of any increase or variation of the Capital (whenever effected) by way of capitalisation or rights issue, or sub-division, consolidation or reduction, the Board may make such adjustments as they consider appropriate under Rule 10.2 below.

10.2 An adjustment made under this Rule 10 shall be to one or more of the following:

(a) the number of Shares in respect of which any Option granted under the Scheme may be exercised;

(b) the price at which shares may be acquired by the exercise of any such Option;

(c) where any such Option has been exercised but no Shares have been transferred pursuant to such exercise, the number of Shares which may be so transferred and the price at which they may be acquired.

10.3 Except in the case of a capitalisation issue or variations to the Capital as a consequence of any sub-division or consolidation, no adjustment under Rule 10.2 above shall be made without the prior confirmation in writing by the Auditors or other share valuers to the Board that it is in their opinion fair and reasonable.

10.4 No adjustment under Rule 10.2 above shall be made

(a) which would affect EMI Options which are Qualifying Options without the prior approval of HM Revenue and Customs if so required;

(b) as a result of which the aggregate amount payable on the exercise of an Option in full would be materially increased or materially reduced.

10.5 An adjustment under Rule 10.2 above may have the effect of reducing the price at which Shares may be acquired by the exercise of the Option to less than their nominal value, but only if and to the extent that the Board shall be authorised to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercised and which are to be allotted pursuant to such exercise exceeds the price at which the same may be subscribed for, and to apply such sum in paying up such amount on such Shares, and so that on exercise of any Option in respect of which such a reduction shall have been made, the Board shall capitalise such sum (if any) and apply the same in paying up such amount as aforesaid.

10.6 As soon as reasonably practicable after making any adjustment under Rule 10.2 above, the Board shall give notice in writing thereof to each Option Holder.

11. ALTERATIONS TO THE RULES

11.1 The Board may by resolution at any time make any alteration to the Rules which it thinks fit subject to the provisions of this Rule 11.

11.2 No such alteration which would affect an EMI Option which is a Qualifying Option shall take effect if the result would be:

(a) to increase the aggregate Market Value of the Shares that are the subject of such Qualifying Option; or

(b) that the requirements of Schedule 5 would cease to be met in relation to such EMI Option.

11.3 No alteration shall be made which would materially increase the liability of any Option Holder or which would materially decrease the value of his subsisting rights attached to any Option without in each case that Option Holder's prior written consent.

11.4 Any alteration shall take effect without the requirement for the prior approval of the shareholders of the Company, except as otherwise required by applicable law and/or the rules of any securities exchange on which the Shares (or securities representing Shares) may be listed.

11.5 As soon as reasonably practicable after making any alteration under Rule 11.1 above the Board shall give notice in writing thereof to each Option Holder.

12. MISCELLANEOUS

12.1 Any Option granted pursuant to the Rules shall not form part of the contract of employment of any person who participates in the Scheme. The rights and obligations of any individual under the terms of his office or employment with any Group Member shall not be affected by his participation in the Scheme or any right which he may have to participate therein, and an individual who participates therein shall waive any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever (including

unfair or wrongful dismissal) insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to exercise any Option under the Scheme as a result of such termination. No such participation, rights or benefits shall be taken into account for the purposes of calculating the amount payable to any pension fund. Options granted pursuant to the Scheme shall not constitute any representation or warranty that any benefit will accrue to any individual who is granted an Option.

12.2 The Scheme shall in all respects be administered by the Board who may from time to time make and vary such rules and regulations for its conduct not inconsistent with these Rules and may from time to time establish such procedures for administration and implementation of the Scheme and Rules as it thinks fit, and in the event of any dispute or disagreement as to the interpretation of the Rules, or of any rule, regulation or procedure, or as to any question or right arising from or related to the Scheme, the decision of the Board shall be final and binding upon all persons (subject to the written concurrence of the Auditors having been obtained when so required by the Rules).

12.3 Any Group Member may provide money to the trustees of any trust or any other person to enable them or him to acquire shares to be held for the purposes of the Scheme, or enter into any guarantee or indemnity for these purposes, to the extent permitted by section 153 of the Companies Act 1985.

12.4 In any matter in which they are required to act under the Rules, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Acts 1950 to 1996 shall not apply to these Rules.

12.5 Any notice or other communication under or in connection with the Rules may be given by personal delivery or by sending the same by post, in the case of a company to its registered office and in the case of an individual to his last known address, or, where he is a director or employee of a Company participating in the Scheme, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment, and where a notice or other communication is given by first-class post, it shall be deemed to have been received 48 hours after it was put into the post properly addressed and stamped.

12.6 The costs of introducing and administering the Scheme shall be borne by the Company or any Group Member.

12.7 The Board shall maintain all necessary books of account and records relating to the Scheme.

12.8 Subject to the Articles of Association of the Company, an Option Holder who is a director of the Company may, notwithstanding his interest, vote on any resolution concerning the Scheme (other than in respect of his own participation therein) and may retain any benefits under the Scheme.

13. GOVERNING LAW

The Rules and the Scheme shall in all respects be governed by the laws of England.

SCHEDULE 1

Form of Letter of Invitation

[On Company Notepaper]

Dear [name of employee]

NUCANA BIOMED LIMITED SHARE OPTION SCHEME ("SCHEME")

I am pleased to advise you that the Board of directors of NuCana Biomed Limited **("Company")** has resolved to invite you to apply for the grant of an EMI Option pursuant to the terms of the Rules of the Scheme and the attached Option Agreement to acquire ● ordinary shares of ● pence each of the Company (**"Shares"**) at an exercise price of ● pence per Share (**"Option Price"**) as agreed with HM Revenue and Customs for the purposes of the grant of an EMI Option under the Scheme as the Market Value of a Share at the Date of Grant.

Enclosed with this letter you will find:-

1. Copy Letter
2. Option Agreement
3. Exercise Notice
4. Notice of Grant (HMRC form)
5. Rules of the Scheme
6. Explanatory Notes
7. Articles of Association of the Company

You should read the enclosed Option Agreement and Rules carefully and, if you wish to accept the EMI Option, sign the Option Agreement in the presence of an independent witness (who should add his or her name, address and occupation where indicated). Please do not date the Option Agreement. Return the Option Agreement to the Company Secretary at ● no later than 14 days from the date of receipt this letter.

If you do not return the duly signed Option Agreement to the Company Secretary within 14 days then this invitation will lapse and you will no longer be entitled to the EMI Option.

If you do return a duly signed Option Agreement to the Company Secretary within 14 days the EMI Option will be granted to you on [ ] days from date of invitation. *NOTE the date of the Option Agreement should correspond with this date.*

Note that the Option Agreement includes a requirement that you indemnify the Company in respect of any income tax collectible under PAYE and employee's national insurance contributions charges which may arise on exercise of your EMI Option (**"Tax Liability"**). This is referred to in Rule 2.6(a) which you should read. The Option Agreement also requires you to enter into a Joint Election relating to restricted shares, if required by the Company.

Following receipt of the duly executed Option Agreement by the Company Secretary, it will be executed for and on behalf of the Company and dated. Then it will be returned to you for your safekeeping and should be kept as evidence of your entitlement to the EMI Option.

Please address any queries which you may have about the operation of the Scheme or the Option Agreement to the Company Secretary.

Yours sincerely

for and on behalf of

NUCANA BIOMED LIMITED

[On Company Notepaper]

Copy to sign and return

Dear [name of employee]

NUCANA BIOMED LIMITED SHARE OPTION SCHEME ("SCHEME")

I am pleased to advise you that the Board of directors of NuCana Biomed Limited **("Company")** has resolved to invite you to apply for the grant of an EMI Option pursuant to the terms of the Rules of the Scheme and the attached Option Agreement to acquire ● ordinary shares of ● pence each of the Company (**"Shares"**) at an exercise price of ● pence per Share (**"Option Price"**) as agreed with HM Revenue and Customs for the purposes of the grant of an EMI Option under the Scheme as the Market Value of a Share at the Date of Grant.

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1. Copy Letter
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6. Explanatory Notes
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You should read the enclosed Option Agreement and Rules carefully and, if you wish to accept the EMI Option, sign the Option Agreement in the presence of an independent witness (who should add his or her name, address and occupation where indicated). Please do not date the Option Agreement. Return the Option Agreement to the Company Secretary at ● no later than 14 days from the date of receipt this letter.

If you do not return the duly signed Option Agreement to the Company Secretary within 14 days then this invitation will lapse and you will no longer be entitled to the EMI Option.

If you do return a duly signed Option Agreement to the Company Secretary within 14 days the EMI Option will be granted to you on [ ] days from date of invitation.

NOTE the date of the Option Agreement should correspond with this date.

Note that the Option Agreement includes a requirement that you indemnify the Company in respect of any income tax collectible under PAYE and employee's national insurance contributions charges which may arise on exercise of your EMI Option (**"Tax Liability"**). This is referred to in Rule 2.6(a) which you should read. The Option Agreement also requires you to enter into a Joint Election relating to restricted shares, if required by the Company.

Following receipt of the duly executed Option Agreement by the Company Secretary, it will be executed for and on behalf of the Company and dated. Then it will be returned to you for your safekeeping and should be kept as evidence of your entitlement to the EMI Option.

Please address any queries which you may have about the operation of the Scheme or the Option Agreement to the Company Secretary.

Yours sincerely

for and on behalf of

NUCANA BIOMED LIMITED

Signed: _____ **(employee)**

Dated: _____

Form of Option Agreement

This Agreement which is in the form of a deed is made the day of 200●

BETWEEN

(1) **NuCana Biomed Limited** (03308778) whose registered office is at Butler & Co Accountants, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU (**"Company"**); and

(2) [option holders name] of [option holders address] who will become "the Option Holder"

RECITALS

A. This Unapproved Option is granted subject to the rules of the 2012 NuCana Biomed Limited Share Option Scheme (**"Scheme"**).

B. A copy of the rules which is appended to this Agreement provides for the grant of options for commercial reasons in order to recruit and retain key employees and/or directors ("**Rules**").

NOW THIS AGREEMENT WITNESSES

1. In this Agreement the definitions in the Rules shall apply.

2. The Company hereby grants to the Option Holder the Unapproved Option to acquire a maximum of [ ] Shares, at an Option Price of * per Share.

3 **Exercise**

3.1 The options shall be exercisable as follows:

- X options may be exercised at any time after 12 months from the date of grant
- a further X options may be exercised at any time after 24 months from the date of grant
- the final X options may be exercised at any time after 36 months from the date of grant

3.2 All unexercised options will also be able to be exercised on the occasion of Admission, a change of control, or sale of the company.

4. The Unapproved Option may not be exercised:

4.1 after the time in Rule 6.2(a);

4.2 from the date the Option Holder ceases to be an employee or director of the Company or of any Qualifying Subsidiary in accordance with Rule 6.2 (b) (except to the extent provided in Rule 6.2 (b) and Rule 7);

4.3 following a Change of Control or a Sale of the Company except to the extent provided in Rule 8;

4.4 following the commencement of the winding up of the Company as set out in Rule 9.

5. The Unapproved Option will lapse on the occurrence of any of the events as set out in Rule 6.2.

6. To exercise the Unapproved Option the Option Holder must lodge with the Company Secretary of the Company (or such other person as the Company may from time to time notify to the Option Holder in writing):

6.1 this Option Agreement;

6.2 a duly completed Notice of Exercise in the form appended to this Option Agreement;

6.3 where required by the Company, a duly completed Joint Election; and

6.4 a cheque made payable to the Company in respect of the Option Price.

7. The Option Holder hereby:

7.1 covenants with the Company to allow the Company to recover from the Option Holder **Tax Liabilities** arising in connection with or as a result of the exercise of the Unapproved Option and to indemnify and keep indemnified on a continuing basis the Company and any Group Member in respect of such Tax Liabilities and for the purposes of such indemnity:

7.2 hereby authorises the Company to deduct sufficient funds which, in the reasonable opinion of the Board, would be equal to any Tax Liabilities from any payment made to or in respect of the Option Holder by it or any Group Member during the same calendar month or other relevant period in which such Tax Liabilities arise. If there is no such payment made or the Tax Liabilities exceed the amount of such payment the Option Holder hereby agrees to pay the full amount of the Tax Liabilities or any such excess (as the case may be) in cleared funds within seven days of a valid demand by the Company or any Group Member; and

7.3 appoints a member of the Board as his [trustee] for the purposes of providing the Company or any Group Member (as appropriate) with sufficient funds to recover any Tax Liabilities by receiving on trust or retaining on trust (as the case may be) (out of the total number of Shares to which the Option Holder is entitled following the relevant exercise of the Unapproved Option) the legal title to and selling such number of Shares as, in the reasonable opinion of the Board, is required to realise a cash amount equivalent to the Tax Liabilities and the Option Holder hereby covenants to pay to the Company, should such sale realise a cash amount less than the Tax Liabilities, an amount equal to the difference within seven working days of demand by the Company.

8. The Unapproved Option is exercisable only by the Option Holder (or his personal representatives) and may not be transferred, assigned or charged and the Unapproved Option will lapse on the occasion of any assignment, charge, disposal or other dealing with the rights conveyed by it.

9. The Company has agreed or will agree the Market Value of a Share for the purposes of this Scheme as at the Date of Grant with HM Revenue and Customs.

10. A person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

11. The Shares which will be acquired when the Option is exercised are subject to the terms and restrictions set out in the Company's articles of association, and a copy of the current articles of association is attached.

APPENDIX

Form of Notice of Exercise

Please read the notes at the foot of his form carefully before completing it

To: The Secretary
NuCana Biomed Limited

I, the undersigned[1], having become entitled so to do, hereby exercise the Unapproved Option referred to in the attached Agreement in respect of Shares comprised in the Unapproved Option upon the terms of the 2012 NuCana Biomed Limited Share Option Scheme (**"Scheme"**) and agree to accept the Shares to be allotted and issued pursuant to this Notice of Exercise subject to and in accordance with the memorandum and articles of association of the Company and hereby request you to place my name on the register of members in respect thereof.

I enclose a remittance for £[2] being the aggregate Option Price payable for the Shares in respect of which the Unapproved Option is now exercised, the Option Price (per Share) being [ ].

I understand that income tax and NIC (referred to as a Tax Liabilities in the Rules of the Scheme) may need to be accounted for by the Company to HM Revenue and Customs on this exercise and in respect of which I have indemnified the Company. I further understand that the Company has an obligation to deduct, insofar as possible, the amount of any Tax Liabilities from payments that it makes to me and I authorise the Company to make such deductions from my salary.

(please tick as appropriate[3])

☐ I wish to make a cash payment to the Company in respect of the outstanding Tax Liabilities (after deduction by the Company) arising from this exercise and enclose a second cheque made payable to the Company for £●.

☐ I authorise the Company to retain and to sell on my behalf sufficient Shares so as to realise an amount sufficient to discharge the Tax Liabilities arising from this exercise.

If applicable, I hereby request you to despatch a balance certificate for the Unapproved Option to subscribe for any Shares included in the Unapproved Option referred to overleaf and not exercised on this occasion, by post at my risk to the address mentioned below.

Signature: _____ Date: _____
Surname: _____
Forename(s): _____
Address: _____
_____
_____
_____

[If the shares are restricted under ITEPA the Option Holder should be required to enter into a Joint Election with the Company to which this Exercise Notice should refer.]

1 Although the Option referred to overleaf is personal to the holder named overleaf it may be exercised by his personal representative(s) if he dies while the Option is still capable of exercise provided the personal representative(s) does/do so before the expiration of 12 months from the date of the Option Holder's death or 10 years from the date of its grant (if sooner). If there are more than one, each of the personal representatives must sign this form. A copy of the Grant of Probate must be provided with the completed Notice of Exercise.

2 The remittance should be for an amount equal to the Option Price per Share shown overleaf, multiplied by the number of Shares applied for.

3 Please tick the appropriate box. If you fail to tick a box or if you tick the first box but your cash payment or next month's salary are insufficient to cover the full liability, the Company will retain and sell sufficient shares to cover the liability or shortfall or will withhold the transferring of the shares to you until the full tax liabilities have been met by you.

In Witness whereof the parties have signed this Agreement on the date specified above:

EXECUTED as a **DEED**)
but not delivered until the date hereof)
for and on behalf of **THE COMPANY**)

Director

Director/Secretary

SIGNED as a **DEED**)
but not delivered until the date hereof)
by ●)
in the presence of:)

Name of Witness _____
Address _____
_____
_____
_____

Form of Option Agreement

This Agreement which is in the form of a deed is made the day of 200●

BETWEEN

(1) **NuCana Biomed Limited** (03308778) whose registered office is at Butler & Co Accountants, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU **("Company"**); and

(2) [employee name] of [employee address] who will become "the Option Holder"

RECITALS

A. This EMI Option is granted subject to the rules of the 2012 NuCana Biomed Limited Share Option Scheme, and is granted pursuant to Schedule 5 ITEPA 2003 (**"Scheme"**).

B. A copy of the rules which is appended to this Agreement provides for the grant of options for commercial reasons in order to recruit and retain key employees (**"Rules"**).

NOW THIS AGREEMENT WITNESSES

1. In this Agreement the definitions in the Rules shall apply.

2. The Company hereby grants to the Option Holder the EMI Option to acquire a maximum of [ ] Shares, at an Option Price of * per Share.

3 **Exercise**

3.1 The options shall be exercisable as follows:

- X options may be exercised at any time after 12 months from the date of grant
- a further X options may be exercised at any time after 24 months from the date of grant
- the final X options may be exercised at any time after 36 months from the date of grant

3.2 All unexercised options will also be able to be exercised on the occasion of Admission, a change of control, or sale of the company.

4. The EMI Option may not be exercised:

4.1 after the time in Rule 6.2(a);

4.2 from the date the Option Holder ceases to be an employee of the Company or of any Qualifying Subsidiary in accordance with Rule 6.2 (b) (except to the extent provided in Rule 6.2 (b) and Rule 7);

4.3 following a Change of Control or a Sale of the Company except to the extent provided in Rule 8;

4.4 following the commencement of the winding up of the Company as set out in Rule 9.

5. The EMI Option will lapse on the occurrence of any of the events as set out in Rule 6.2.

6. To exercise the EMI Option the Option Holder must lodge with the Company Secretary of the Company (or such other person as the Company may from time to time notify to the employee in writing):

6.1 this Option Agreement;

6.2 a duly completed Notice of Exercise in the form appended to this Option Agreement;

6.3 where required by the Company, a duly completed Joint Election; and

6.4 a cheque made payable to the Company in respect of the Option Price.

7. The employee hereby:

7.1 covenants with the Company to allow the Company to recover from the Option Holder **Tax Liabilities** arising in connection with or as a result of the exercise of the EMI Option and to indemnify and keep indemnified on a continuing basis the Company and any Group Member in respect of such Tax Liabilities and for the purposes of such indemnity:

7.2 hereby authorises the Company to deduct sufficient funds which, in the reasonable opinion of the Board, would be equal to any Tax Liabilities from any payment made to or in respect of the Option Holder by it or any Group Member during the same calendar month or other relevant period in which such Tax Liabilities arise. If there is no such payment made or the Tax Liabilities exceed the amount of such payment the Option Holder hereby agrees to pay the full amount of the Tax Liabilities or any such excess (as the case may be) in cleared funds within seven days of a valid demand by the Company or any Group Member; and

7.3 appoints a member of the Board as his trustee for the purposes of providing the Company or any Group Member (as appropriate) with sufficient funds to recover any Tax Liabilities by receiving on trust or retaining on trust (as the case may be) (out of the total number of Shares to which the Option Holder is entitled following the relevant exercise of the EMI Option) the legal title to and selling such number of Shares as, in the reasonable opinion of the Board, is required to realise a cash amount equivalent to the Tax Liabilities and the Option Holder hereby covenants to pay to the Company, should such sale realise a cash amount less than the Tax Liabilities, an amount equal to the difference within seven working days of demand by the Company.

8. The EMI Option is exercisable only by the Option Holder (or his personal representatives) and may not be transferred, assigned or charged and the EMI Option will lapse on the occasion of any assignment, charge, disposal or other dealing with the rights conveyed by it.

9. The Company has agreed or will agree the Market Value of a Share for the purposes of this Scheme as at the Date of Grant with HM Revenue and Customs.

10. A person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

11. The Shares which will be acquired when the Option is exercised are subject to the terms and restrictions set out in the Company's articles of association, and a copy of the current articles of association is attached.

APPENDIX

Form of Notice of Exercise

Please read the notes at the foot of his form carefully before completing it

To: The Secretary
NuCana Biomed Limited

I, the undersigned[1], having become entitled so to do, hereby exercise the EMI Option referred to in the attached Agreement in respect of Shares comprised in the EMI Option upon the terms of the NuCana Biomed Limited Share Option Scheme (**"Scheme"**) and agree to accept the Shares to be allotted and issued pursuant to this Notice of Exercise subject to and in accordance with the memorandum and articles of association of the Company and hereby request you to place my name on the register of members in respect thereof.

I enclose a remittance for £[2] being the aggregate Option Price payable for the Shares in respect of which the EMI Option is now exercised, the Option Price (per Share) being [ ].

I understand that income tax and NIC (referred to as a Tax Liabilities in the Rules of the Scheme) may need to be accounted for by the Company to HM Revenue and Customs on this exercise and in respect of which I have indemnified the Company. I further understand that the Company has an obligation to deduct, insofar as possible, the amount of any Tax Liabilities from payments that it makes to me and I authorise the Company to make such deductions from my salary.

(please tick as appropriate[3])

☐ I wish to make a cash payment to the Company in respect of the outstanding Tax Liabilities (after deduction by the Company) arising from this exercise and enclose a second cheque made payable to the Company for £●.

☐ I authorise the Company to retain and to sell on my behalf sufficient Shares so as to realise an amount sufficient to discharge the Tax Liabilities arising from this exercise.

If applicable, I hereby request you to despatch a balance certificate for the EMI Option to subscribe for any Shares included in the EMI Option referred to overleaf and not exercised on this occasion, by post at my risk to the address mentioned below.

Signature: _____ Date: _____
Surname: _____
Forename(s): _____
Address: _____
_____
_____
_____

[If the shares are restricted under ITEPA the Option Holder should be required to enter into a Joint Election with the Company to which this Exercise Notice should refer.]

1 Although the Option referred to overleaf is personal to the holder named overleaf it may be exercised by his personal representative(s) if he dies while the Option is still capable of exercise provided the personal representative(s) does/do so before the expiration of 12 months from the date of the Option Holder's death or 10 years from the date of its grant (if sooner). If there are more than one, each of the personal representatives must sign this form. A copy of the Grant of Probate must be provided with the completed Notice of Exercise.

2 The remittance should be for an amount equal to the Option Price per Share shown overleaf, multiplied by the number of Shares applied for.

3 Please tick the appropriate box. If you fail to tick a box or if you tick the first box but your cash payment or next month's salary are insufficient to cover the full liability, the Company will retain and sell sufficient shares to cover the liability or shortfall or will withhold the transferring of the shares to you until the full tax liabilities have been met by you.

In Witness whereof the parties have signed this Agreement on the date specified above:

EXECUTED as a **DEED**)
but not delivered until the date hereof)
for and on behalf of **THE COMPANY**)

Director

Director/Secretary

SIGNED as a **DEED**)
but not delivered until the date hereof)
by ●)
in the presence of:)

Name of Witness _____
Address _____
_____
_____
_____

RULES OF THE

NuCana BioMed Limited

2016 SHARE OPTION SCHEME (INCLUDING ENTERPRISE MANAGEMENT INCENTIVES & INCENTIVE STOCK OPTIONS)

Approved and Adopted by the Board of NuCana BioMed Ltd

on 14 January 2016, as amended on 14 September 2017 and

on [●] 2017

CONTENTS

NuCana Biomed Limited

2016 SHARE OPTION SCHEME

RULES

(INCLUDING ENTERPRISE MANAGEMENT INCENTIVES & INCENTIVE STOCK OPTIONS)

1. INTERPRETATION

1.1 In these Rules (unless the context otherwise requires) the following words and expressions shall have the following meanings:

"Admission"	the admission of part of or the entire issued share capital of the Company (or any holding company of the Company) to listing on the Official List of the UK Listing Authority and to trading on the market for listed securities of London Stock Exchange plc, or to trading on AIM or to trading on any recognised investment exchange (as that term is defined in section 841 ICTA)
"Adoption Date"	the date on which the Scheme is adopted by the Board/Company;
"AIM"	the market of that name operated by the London Stock Exchange Plc;
"Any Other EMI Scheme"	any scheme (other than the Scheme) adopted by the Company or any Group Member or by the Board which provides for the grant of options to acquire Shares which are Qualifying Options;
"Any Other Scheme"	any scheme (other than the Scheme) approved by the Company in general meeting or adopted by the Board which provides for the acquisition of Shares by or on behalf of employees or directors of the Group;
"Appropriate Period"	as defined in Rule 8.3;

"**Associated Company**"	has the meaning given to that expression by section 416 ICTA;
"**Auditors**"	the auditors for the time being of the Company (acting as experts and not as arbitrators);
"Board"	the board of directors for the time being of the Company or a committee thereof duly authorised for the purposes of the Scheme;
"Capital"	issued equity share capital of the Company as that term is defined in section 548 of the Companies Act 2006;
"Change of Control"	means any of the events set out in Rule 8.1 (a) to (c);
"Close Period"	any period where there are restrictions on dealing in the shares as stipulated by a relevant authority including under the rules of AIM;
"Company"	NuCana BioMed Limited registered in the UK with registration number 03308778 and whose registered address is 77-78 Cannon Street, London, England, EC4N 6AF;
"Control"	has the meaning given to it by section 840 ICTA and **"Controlled"** shall have a similar meaning;
"Date of Grant"	the date on which an Option was or is to be granted under Rule 2;
"Eligible Employee"	An employee or director of the Company or of a Qualifying Subsidiary and additionally, in the case of an Option which is to be granted as an EMI Option, a person who at the appropriate time (as defined in Schedule 5) also satisfies the requirements of paragraphs 25 and 26 of Schedule 5, and whose average amount per week of reckonable time in relevant employment (as defined in section 535(3) ITEPA and paragraph 26 Schedule 5) during a tax year is not less than 25 hours a week or such other relevant statutory threshold at the appropriate time;

"EMI Code"	the provisions set out in sections 527 to 541 ITEPA (inclusive), Schedule 5 and Part 4 Schedule 7D TCGA;
"EMI Option"	a right (for the time being subsisting) to acquire Shares under the Scheme in accordance with these Rules and which is a Qualifying Option;
"Exercise Conditions"	conditions, if any, determined by the Board at the Date of Grant and as set out in the Appendix of the Option Agreement required to be satisfied before the Option can be exercised, such conditions being subject to the provisions set out in Rule 5;
"FSMA"	the Financial Services and Markets Act 2000;
"Group"	the Company and its Subsidiaries and **"Group Member"** shall be construed accordingly;
"HMRC"	HM Revenue and Customs;
"Incentive Stock Option"	means an option or portion thereof intended to meet the requirements of an incentive stock option as defined in US Code Section 422, subject to the provisions of Schedule 3 to these Rules and designated as an Incentive Stock Option in the applicable Option Agreement, and if the Board does not designate an Option as an Incentive Stock Option in the Option Agreement, the terms of the Option Agreement for such Option hereby provide that the Option will not be treated as an Incentive Stock Option under US Code Section 422:
"ICTA"	the Income and Corporation Taxes Act 1988;
"ITEPA"	the Income Tax (Earnings and Pensions) Act 2003;
"Joint Election"	means a joint election pursuant to sections 425, 430 or 431 ITEPA;

"Letter of Invitation"	a letter substantially in the form set out in Schedule 1 to these Rules provided by the Company to an employee or director inviting him to accept the grant of an Option;
"Market Value"	has the same meaning as it has for the purposes of Part VIII TCGA and which shall be deemed to be: (a) the middle market quotation of a Share as decided from the Official List for the dealing day immediately preceding the Date of Grant; or (b) (if the Shares are not for the time being so quoted) the price determined by the Board, as being the market value of a Share on the day prior to the day on which the Option in question is granted and, for an EMI Option agreed by Shares Valuation at HMRC and, for an Incentive Stock Option the Fair Market Value as defined in Schedule 3 to these Rules;
"Material Interest"	means an interest in the Company as set out in paragraph 29 of Schedule 5;
"NIC"	national insurance contributions;
"Notice of Exercise"	a notice of exercise substantially in the form set out in the Appendix to the Option Agreement;
"Notice of Grant"	in the case of Options which are to be EMI Options, a notification to HMRC to be jointly signed by (a) the employer company of the Option Holder and (b) the Option Holder in such form required by HMRC from time to time;

"Official List"	the official listing as referred to in Part VI FSMA;
"Option"	an option to acquire Shares granted under these Rules, whether an EMI Option or an Unapproved Option or an Incentive Stock Option;
"Option Agreement"	a written agreement between the Company and the Option Holder in the form of a deed substantially in the form set out in Schedule 2 to these Rules and (i) if it is an EMI Option containing the information required by Schedule 5; and (ii) if it is an Incentive Stock Option being subject to the provisions of Schedule 3 to these Rules;
"Option Holder"	a person who holds an Option or (where the context admits) his personal representatives;
"Option Price"	the price at which each Share may be acquired on the exercise of an Option determined by the Board at the Date of Grant being not substantially less than the Market Value and, subject to Rule 10, not less than the nominal value of the Share where the Shares are to be acquired by direct issue from the Company;
"Qualifying Option"	an option which at the time of grant meets the requirements of Schedule 5 and in respect of which a Notice of Grant is executed;
"Qualifying Subsidiary"	has the meaning given in paragraph 11 of Schedule 5;
"Redundancy"	termination of employment by reason of redundancy in accordance with section 139 Employment Rights Act 1996;

"Relevant CSOP Option"	an option to acquire shares under a scheme approved pursuant to the provisions of Schedule 4 ITEPA;
"Rules"	these rules of the Scheme as from time to time altered pursuant to the provisions of Rule 11;
"Sale"	the making of one or more agreements (whether conditional or not) for an acquisition of the Capital of the Company giving rise to a change of Control of the Company;
"Schedule 5"	Schedule 5 ITEPA;
"Scheme"	means the 2016 NuCana Biomed Limited Share Option Scheme;
"Secondary NIC Liability"	any employer's secondary NIC charge arising on the exercise or release of an Option;
"Share"	a fully paid ordinary share of the Company;
"Subsidiaries"	a subsidiary as defined under section 1159 Companies Act 2006;
"Tax Liabilities"	any income tax and NIC charge arising as a consequence of the exercise or release of the Option or in respect of the Shares acquired pursuant to the exercise of such options and including arising under a Joint Election or receipt of money or money's worth in connection with such Options or the acquired Shares, for which the Company or a Group Member has accounted or is required to account for to HMRC and including, unless otherwise stated, where permitted by law the employer's national insurance contributions (or their equivalent);
"TCGA"	the Taxation of Chargeable Gains Act 1992;
"UK Listing Authority"	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI Financial Services and Markets Act 2000;

"Unapproved Option"	an option to acquire Shares granted under this Scheme and subject to these Rules which: (a) is designated an Unapproved Option; and/or (b) does not fall within the provisions of Schedules 3, 4 or 5 ITEPA and does not satisfy the EMI Code but in respect of which these Rules apply; and/or (c) a Non-Qualified Option as defined in paragraph 3.3 of Schedule 3 to these Rules.

1.2 Words denoting the singular shall include the plural and vice versa and words denoting the masculine gender shall include the feminine gender.

1.3 Rule headings are inserted for convenience only and are to be ignored in construing these Rules.

1.4 References in these Rules to any statute shall be deemed to include every modification, amendment and/or re-enactment by statute or sub-ordinate legislation for the time being in force.

1.5 References in these Rules to "**month**" shall be deemed to be references to a calendar month.

2. PROVISIONS RELATING TO THE GRANT OF OPTIONS

2.1 In its absolute discretion, the Board has the power to grant Options (whether EMI Options or Unapproved Options or Incentive Stock Options) under the Scheme to Eligible Employees:

(a) subject to the limitations and conditions contained in these Rules;

(b) provided they are not prohibited by law; and

(c) for commercial reasons in order to recruit or retain an Eligible Employee in the Group.

2.2 The procedure for granting Options shall be as follows:

(a) the Board shall by resolution:

(i) select a number of Eligible Employees to whom Options shall be granted and the intended Date of Grant;

(ii) determine the maximum number of Shares which each such Eligible Employee shall be entitled to acquire on the exercise of the Options;

(iii) determine the Option Price, the periods during which Options may be exercised, and any Exercise Conditions to apply to the option to be granted;

(iv) specify which Options shall be EMI Options or Unapproved Options or Incentive Stock Options;

(v) determine if the Option Holder is to indemnify against secondary NIC Liability under Rule 2.6;

(b) the Board shall send to each selected Eligible Employee the following documents to invite him or her to enter into an Option Agreement:

(i) a Letter of Invitation;

(ii) a copy Letter of Invitation (to sign and return);

(iii) an Option Agreement;

(iv) a Notice of Grant;

(v) a copy of the Rules;

(vi) any Explanatory Notes (if prepared); and

(vii) the Articles of Association of the Company;

(c) the Option Agreement must be duly executed by the Company and the Eligible Employee within 14 days of the date of the Letter of Invitation (or such other date determined by the Board) and the date when the Option Agreement is duly executed shall be the date of the Date of Grant.

2.3 The Option Agreement shall serve as evidence of the grant of the Option and accordingly no further certificate shall be issued to the Option Holder.

2.4 The Option shall state if the Option is being granted as an EMI Option, or to what extent it is being granted as an EMI Option; or alternatively if it is being granted as an Incentive Stock Option, or to what extent it is being granted as an Incentive Stock Option; otherwise in each case it shall be granted as an Unapproved Option.

2.5 If an Option Agreement is not duly executed as required under Rule 2.2 within the time limit specified the terms of the Letter of Invitation shall immediately lapse at the end of the period referred to therein and the Option shall not be granted nor be deemed to have been granted to the Eligible Employee.

2.6 It shall be a condition of the grant of an Option that the Option Holder:

(a) indemnifies the Company and any other Group Member to the extent permitted by law against any Tax Liabilities and where the Board so requires Secondary NIC Liability **(**together referred to as **"Liabilities"**); and

(b) enters into a Joint Election should the Board so require at any time prior to and as a condition of the exercise of the Option.

3. LIMITS AND OTHER RESTRICTIONS OF THE SCHEME RULES

3.1 An EMI Option granted to an Eligible Employee under these Rules shall be limited and take effect so that the aggregate Market Value at the Date of Grant of Shares which may be acquired on the exercise of that EMI Option when added to:

(a) the aggregate Market Value at the Date of Grant of Shares which may be acquired on the exercise of Qualifying Options granted to him pursuant to the Scheme and Any Other EMI Scheme; and

(b) the aggregate Market Value at Date of Grant of Shares which may be acquired on the exercise of any Relevant CSOP Option held by such Eligible Employee at the Date of Grant

shall not exceed £250,000 or such other sum as determined under paragraph 5 of Schedule 5.

3.2 To the extent that the aggregate Market Value of Shares under any EMI Option exceeds such sum as referred to in Rule 3.1, any Option granted over Shares representing the excess shall be granted under an Unapproved Option.

3.3 Pursuant to Rule 3.1 the Market Value of Shares shall be calculated at the time the options in relation to those Shares is granted or such other time as agreed in writing by HMRC.

3.4 If an Eligible Employee has previously been granted Qualifying Options under the Scheme or Any Other EMI Scheme over Shares with an aggregate Market Value of £250,000 as referred to in Rule 3.1 above (including EMI Options which have since been exercised or released) then any Option which shall be granted to such Eligible Employee within three years of the Date of Grant of the last such Qualifying Option shall be an Unapproved Option.

3.5 No Option shall be granted at a date more than ten years after the Adoption Date without further authorisation by the Company in general meeting.

3.6 Notwithstanding any other provisions of these Rules the Company may not issue Qualifying Options under the Scheme or any Other EMI Scheme such that the Market Value at the date of grant of Shares subject to such Qualifying Options exceeds £3 million or such other sum as determined under paragraph 7 of Schedule 5.

4. NON-ASSIGNABILITY OF OPTIONS

Except as otherwise specifically provided in these Rules, each Option shall be exercisable only by the Option Holder to whom it is granted and may not be transferred, assigned or charged, and on any purported transfer, assignment or charge the Option shall automatically lapse.

5. EXERCISE CONDITIONS

5.1 Exercise Conditions (if any) shall be:

(a) in respect of dates or events or profits or individual or collective performance criteria for a period which begins no earlier than the start of the accounting period in which the Date of Grant falls; and

(b) capable of independent objective assessment with a view to determining whether they have been satisfied; and

(c) set out in detail at the Date of Grant in the Option Agreement.

5.2 Different Exercise Conditions may be specified in respect of different numbers of the Shares comprised in the same Option.

5.3 Subject to the provisions of these Rules where an Option has been granted subject to Exercise Conditions, the Board shall as soon as reasonably practicable following the satisfaction of any Exercise Conditions give written notice to inform the Option Holder concerned that his Option has become exercisable subject always to the provisions of Rule 6.

5.4 Where events happen which cause the Board to consider that the Exercise Conditions are no longer appropriate, or the Board at its entire discretion so decides, it may:

(a) vary the Exercise Conditions provided that the new Exercise Conditions are not more difficult to satisfy than the original Performance Conditions; or

(b) remove the Exercise Conditions as a requirement of the exercise of the Option;

PROVIDED that the Option Holder is given notice in writing of the variation or removal as soon as practicable.

6. EXERCISE OF OPTION

6.1 An Option shall be exercised:-

(a) pursuant to the terms of exercise set out in the Option Agreement; and

(b) by lodging with the Company Secretary or such other person as the Board may specify, the relevant Option Agreement, a duly completed Notice of Exercise and (subject to Rule 8.6) the payment required in respect of the Option Price and any Tax Liabilities and secondary NIC liability.

6.2 Lapse of Options

An Option shall cease to be exercisable and shall lapse forthwith on the occurrence of the following events:-

(a) 5pm on the day before the tenth anniversary of the grant of the Option;

(b) the Option Holder ceases to be an employee of the Company or of a Qualifying Subsidiary save as provided for in Rule 7;

(c) the Option Holder does or suffers any act or thing (including bankruptcy) whereby he would or might be deprived of the legal or beneficial ownership of the Option;

(d) the lapsing events referred to in Rules 4, 7, 8 and 9.

6.3 Result of Exercise of Options

(a) Subject to:

(i) the obtaining of any necessary consent from H.M. Treasury, the Bank of England, the UK Listing Authority, the London Stock Exchange Plc or other relevant authority;

(ii) the terms of any such consent;

(iii) receipt by the Company of the appropriate payment for Shares to be acquired on exercise in full

the Company shall (subject to Rule 8.7) within 30 days of receipt by the Company Secretary of a valid Notice of Exercise issue to or arrange the transfer to the Option Holder the number of Shares in respect of which the Option has been exercised (but if during a Close Period such issue or transfer shall be effected as soon as reasonably practicable after the end of the Close Period).

(b) The Board shall at all times keep available sufficient unissued Shares or shall procure that there are available sufficient Shares to satisfy the exercise of all Options granted under the Scheme. For this purpose the Board may enter into an agreement with any individual, company or the trustees of any employee benefit trust for the provision by such persons of Shares to satisfy Options. In such case, and if appropriate, the Option Price payable by the Option Holder shall be received by a member of the Board as trustee for such persons (to whom it shall account) and the Board shall procure the transfer of Shares by such persons upon exercise of the Option.

(c) All Shares issued on exercise of Options shall on issue rank equally in all respects with the Company's existing Shares of the same class, save that the Shares issued under the Scheme will not rank for any dividends or other distributions declared or recommended the record date for which falls on or prior to the date when the Option is exercised.

6.4 Tax Liability

(a) It being a condition of the grant of an Option that each Option Holder indemnifies the Company and any other Group Member against Tax Liabilities and/or secondary NIC Liabilities ("Liabilities") pursuant to Rule 2.6(a), to the extent that the Liabilities cannot be (or are not) deducted from payments made by the Company or Group Member to the Option Holder, the Company shall be authorised by the Option Holder:-

(i) to retain and sell on the Option Holder's behalf sufficient Shares issued or acquired on exercise of the Option to raise the necessary funds to meet and to apply such funds in discharging the Liabilities or reimbursing the Company or the relevant Group Member; and/or

(ii) to make such other arrangements with the Option Holder in question as the Board deems appropriate for the reimbursement to the Company or relevant Group Member of the Liabilities.

7. CESSATION OF EMPLOYMENT

Subject to Rule 6.2 and subject to Rule 5:

7.1 If an Option Holder dies before exercising an Option or part thereof, the Option may (and must, if at all) be exercised by his personal representatives to the extent that any Exercise Conditions have been met within the period ending on the earlier of:

(a) the expiry of 12 months after the date of death; and

(b) the time referred to in Rule 6.2(a),

and failing such exercise the Option shall lapse.

7.2 If an Option Holder ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary otherwise than on death:

(a) by reason of cessation of employment with any Group Member due to ill health, injury or disability, redundancy or retirement on reaching the age at which he is bound to retire in accordance with the terms of his contract of employment; or

(b) by reason only that his office or employment is in a company of which the Company ceases to have Control; or

(c) his office or employment relates to a business or part of a business which is transferred to a person who is neither an Associated Company of the Company nor a company of which the Company has Control; or

(d) by reason of cessation of employment for any other reason, apart from summary dismissal for fraud or gross misconduct;

then any Option may be exercised, always only to the extent that any Exercise Conditions have been met when the Option Holder ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary, at any time prior to the expiry of the period of twelve months after his so ceasing and any Option not so exercised shall automatically lapse. For the avoidance of doubt where an Option Holder ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary, any part of an Option in respect of which Exercise Conditions have not been met shall lapse forthwith.

7.3 If an Option Holder, other than for a reason specified in Rules 7.1 or 7.2, ceases to be an Eligible Employee of the Company or of a Qualifying Subsidiary including by reason of termination or repudiation of contract by the Company whether lawful or otherwise then any Option not exercised by the time of such cessation shall immediately cease to be exercisable and shall lapse 90 days after such cessation unless within 90 days after cessation the Board in its absolute discretion shall permit the Option to be exercised in whole or in part within a specified period in which event the Option may be exercised by the Option Holder to the extent so permitted by the Board so long as it is prior to the time referred to in Rule 6.1(a), and failing such exercise the Option shall lapse.

7.4 An Option Holder shall not be treated for the purposes of these Rules as ceasing employment until such time as he is no longer a director or employee of the Company or of any Qualifying Subsidiary and an Option Holder (being a woman) who is absent from work by reason of pregnancy or confinement and who exercises her right to return to work under the Employment Rights Act 1996 before exercising an Option under the Scheme shall be treated for the purposes of these Rules as not having ceased to be such an employee.

7.5 For the purposes of these Rules, where an Option Holder's contract of employment with the Group is terminated by a Group Member without notice the Option Holder's employment shall be deemed to cease on the date on which the termination takes effect and where the said contract is terminated by notice given or received by a Group Member, the Option Holder's employment shall be deemed to cease on the date on which that notice is served.

8. CHANGE OF CONTROL AND SALE OF THE COMPANY

8.1 **Change of Control** - If:

(a) any person or group of persons acting in concert obtains Control of the Company as a result of making:

(i) an offer to acquire more than 50% of the Capital of the Company which is made on a condition such that if it is satisfied the person or group of persons will have Control of the Company; or

(ii) a general offer to acquire all the Capital (or all the shares which are of the same class of those to which the Option relates); or

(b) any person becomes entitled or bound to acquire shares in the capital of the Company under sections 974 to 991 of the Companies Act 2006; or

(c) under sections 895 to 901 of the Companies Act 2006 the court sanctions a compromise or arrangement proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;

and if the Option Agreement allows for exercise of the Option on a Change of Control, an Option Holder (or his personal representative) may at any time during the three days prior to or within the Appropriate Period, exercise any Option or part thereof which has not lapsed. Any Option which is not so exercised shall lapse at the expiry of the Appropriate Period.

8.2 Replacement Options:

(a) If a company (in this Rule called the **"Acquiring Company")** has acquired Control of the Company as a result of any of the events described in Rule 8.1(a) or 8.1(c), or becomes entitled or bound as mentioned in Rule 8.1(b) or obtains all the shares of the Company whose shares are subject to any outstanding Qualifying Options as a result of a qualifying exchange of shares (as defined in paragraph 40(1) Schedule 5) (such acquiring of Control or becoming entitled or bound or obtains, being referred to below as a **"Specific Event"),** any Option Holder may by agreement with the Acquiring Company at any time within the Appropriate Period as defined in Rule 8.3 below release his rights in respect of any EMI Option held by him (in this Rule referred to as the **"Old Option")** in consideration of the grant to him of rights (in this Rule referred to as the **"Replacement Option")** which are equivalent and relate to shares in the Acquiring Company, and which comply with Rule 8.2(b).

(b) A Replacement Option is one in relation to which the requirements of paragraph 43 of Schedule 5 are satisfied at the time of release of the Old Option including grant by reason of the Option Holder's employment with the Acquiring Company.

8.3 "**Appropriate Period"** means:

(a) in a case falling within Rule 8.1(a) and where Rule 8.1(b) does not apply, the period of six months beginning with the time when the person making the offer has obtained Control of the Company and any condition subject to which the offer is made is satisfied;

(b) in a case falling within Rule 8.1(b) the period during which the person remains bound or entitled as mentioned in that paragraph; and

(c) in a case falling within Rule 8.1(c) the period of six months beginning with the time when the court sanctions the compromise or arrangement.

8.4 If a Replacement Option shall be granted to an Option Holder by reference to any Specific Event, Rules 8.1(a), 8.1(b) and 8.1(c) above shall cease to apply by reference to that Specific Event (but without prejudice to their application by reference to any other Specific Event). Any EMI Option which is not exercised or released pursuant to this Rule within the Appropriate Period following a Specific Event (but not any Replacement Option granted by reference to that Specific Event) shall lapse.

8.5 **Sale:** If the Option Agreement allows for exercise of the Option on a Sale, in the event that the Board becomes aware that there may be a Sale of the Company they shall give notice (a "**Sale Notice**") in writing to the Option Holder specifying that a Sale may be forthcoming and that the Option will lapse immediately following the sale if not exercised prior to completion of the Sale unless a Replacement Option is offered to the Option Holder in accordance with Rule 8.2 (or unless some other form of replacement option is offered by the prospective purchaser).

8.6 At any time after receipt of a Sale Notice under Rule 8.5 and prior to completion of the Sale, the Option Holder may exercise the Option in accordance with Rule 6 but only on the basis that the Option Holder agrees to sell to the purchaser on completion of the Sale all the Shares acquired as a result of the exercise of the Option. Any such Exercise Notice from the Option Holder shall be accompanied by a cheque for the aggregate Option Price but shall specify the number of Shares over which the Option Holder wishes to exercise his Option, and any such notice may not be withdrawn without the consent of the Board.

8.7 Completion of the subscription for, or transfer of, the Shares shall take place prior to completion of the Sale and the Company shall issue and allot the relevant Shares in favour of the Option Holder and shall register such issue and allotment or transfer prior to completion of the Sale.

8.8 In the event that the Sale proceeds are received directly by the Option Holder, the Option Holder undertakes to reimburse the Company (or any other Group Company) for a sum equal to the aggregate Option Price, along with any Tax liabilities and/or secondary NIC Liability that may be due in relation to the exercise of the Option, whether by deduction under Rule 6.4 or otherwise.

8.9 Rule 8.5 to 8.8 above dealing with a Sale shall take priority over Rule 8.1 dealing with other forms of Change of Control and for the avoidance of doubt in the event of a Sale, Rule 8.1 will not apply but Rules 8.2 to 8.4 may apply.

9. WINDING-UP OF THE COMPANY

9.1 If at any time while any Option remains unexercised notice is duly given of a general meeting of the Company at which a resolution will be proposed for the voluntary liquidation of the Company, every Option which has not lapsed prior to such resolution shall be exercisable in whole or in part until the commencement of such winding-up within the meaning of Section 86 of the Insolvency Act 1986.

9.2 Pursuant to the above Rule 9.1 the Company shall give to each Option Holder holding any unexercised Option notice of any meeting called for the purpose of considering a resolution for the voluntary liquidation of the Company and shall at the same time give him notice of his rights under this Rule 9 and subject to the foregoing, all Options shall lapse on the commencement of any liquidation of the Company.

10. VARIATION OF CAPITAL

10.1 Subject to Rules 10.3 and 10.4 below, in the event of any increase or variation of the Capital (whenever effected) by way of capitalisation or rights issue, or sub-division, consolidation or reduction, the Board may make such adjustments as they consider appropriate under Rule 10.2 below.

10.2 An adjustment made under this Rule 10 shall be to one or more of the following:

(a) the number of Shares in respect of which any Option granted under the Scheme may be exercised;

(b) the price at which shares may be acquired by the exercise of any such Option;

(c) where any such Option has been exercised but no Shares have been transferred pursuant to such exercise, the number of Shares which may be so transferred and the price at which they may be acquired.

10.3 Except in the case of a capitalisation issue or variations to the Capital as a consequence of any sub-division or consolidation, no adjustment under Rule 10.2 above shall be made without the prior confirmation in writing by the Auditors or other share valuers to the Board that it is in their opinion fair and reasonable.

10.4 No adjustment under Rule 10.2 above shall be made

(a) which would affect EMI Options which are Qualifying Options without the prior approval of HM Revenue and Customs if so required;

(b) as a result of which the aggregate amount payable on the exercise of an Option in full would be materially increased or materially reduced.

10.5 An adjustment under Rule 10.2 above may have the effect of reducing the price at which Shares may be acquired by the exercise of the Option to less than their nominal value, but only if and to the extent that the Board shall be authorised to capitalise from the reserves of the Company a sum equal to the amount by which the nominal value of the Shares in respect of which the Option is exercised and which are to be allotted pursuant to such exercise exceeds

the price at which the same may be subscribed for, and to apply such sum in paying up such amount on such Shares, and so that on exercise of any Option in respect of which such a reduction shall have been made, the Board shall capitalise such sum (if any) and apply the same in paying up such amount as aforesaid.

10.6 As soon as reasonably practicable after making any adjustment under Rule 10.2 above, the Board shall give notice in writing thereof to each Option Holder.

11. ALTERATIONS TO THE RULES

11.1 The Board may by resolution at any time make any alteration to the Rules which it thinks fit subject to the provisions of this Rule 11.

11.2 No such alteration which would affect an EMI Option which is a Qualifying Option shall take effect if the result would be:

(a) to increase the aggregate Market Value of the Shares that are the subject of such Qualifying Option; or

(b) that the requirements of Schedule 5 would cease to be met in relation to such EMI Option.

11.3 No alteration shall be made which would materially increase the liability of any Option Holder or which would materially decrease the value of his subsisting rights attached to any Option without in each case that Option Holder's prior written consent.

11.4 Any alteration shall take effect without the requirement for the prior approval of the shareholders of the Company, except as otherwise required by applicable law and/or the rules of any securities exchange on which the Shares (or securities representing Shares) may be listed.

11.5 As soon as reasonably practicable after making any alteration under Rule 11.1 above the Board shall give notice in writing thereof to each Option Holder.

12. MISCELLANEOUS

12.1 Any Option granted pursuant to the Rules shall not form part of the contract of employment of any person who participates in the Scheme. The rights and obligations of any individual under the terms of his office or employment with any Group Member shall not be affected by his participation in the Scheme or any right which he may have to participate therein, and an individual who participates therein shall waive any and all rights to compensation or damages in consequence of the termination of his office or employment for any reason whatsoever

(including unfair or wrongful dismissal) insofar as those rights arise or may arise from his ceasing to have rights under or be entitled to exercise any Option under the Scheme as a result of such termination. No such participation, rights or benefits shall be taken into account for the purposes of calculating the amount payable to any pension fund. Options granted pursuant to the Scheme shall not constitute any representation or warranty that any benefit will accrue to any individual who is granted an Option.

12.2 The Scheme shall in all respects be administered by the Board who may from time to time make and vary such rules and regulations for its conduct not inconsistent with these Rules and may from time to time establish such procedures for administration and implementation of the Scheme and Rules as it thinks fit, and in the event of any dispute or disagreement as to the interpretation of the Rules, or of any rule, regulation or procedure, or as to any question or right arising from or related to the Scheme, the decision of the Board shall be final and binding upon all persons (subject to the written concurrence of the Auditors having been obtained when so required by the Rules).

12.3 Any Group Member may provide money to the trustees of any trust or any other person to enable them or him to acquire shares to be held for the purposes of the Scheme, or enter into any guarantee or indemnity for these purposes, to the extent permitted by the Companies Act 2006.

12.4 In any matter in which they are required to act under the Rules, the Auditors shall be deemed to be acting as experts and not as arbitrators and the Arbitration Acts 1950 to 1996 shall not apply to these Rules.

12.5 Any notice or other communication under or in connection with the Rules may be given by personal delivery or by sending the same by post, in the case of a company to its registered office and in the case of an individual to his last known address, or, where he is a director or employee of a Company participating in the Scheme, either to his last known address or to the address of the place of business at which he performs the whole or substantially the whole of the duties of his office or employment, and where a notice or other communication is given by first-class post, it shall be deemed to have been received 48 hours after it was put into the post properly addressed and stamped.

12.6 The costs of introducing and administering the Scheme shall be borne by the Company or any Group Member.

12.7 The Board shall maintain all necessary books of account and records relating to the Scheme.

12.8 Subject to the Articles of Association of the Company, an Option Holder who is a director of the Company may, notwithstanding his interest, vote on any resolution concerning the Scheme (other than in respect of his own participation therein) and may retain any benefits under the Scheme.

13. GOVERNING LAW

The Rules and the Scheme shall in all respects be governed by the laws of England.

THIS IS THE SCHEDULE TO THE RULES OF THE NUCANA BIOMED LIMITED 2016 SHARE OPTION SCHEME (INCLUDING ENTERPRISE MANAGEMENT INCENTIVES & US INCENTIVE STOCK OPTIONS)

SCHEDULE 1 LETTER OF INVITATION

SCHEDULE 2 OPTION AGREEMENT

SCHEDULE 3 INCENTIVE STOCK OPTIONS: US SUB-PLAN

UNITED STATES SUB-PLAN TO THE NUCANA BIOMED LIMITED SHARE OPTION SCHEME

1. The terms and conditions of this sub-plan (this "**Sub-Plan**") shall apply to Options granted to Option Holders subject to taxation in the United States ("**US Participants**"). The terms and conditions provided herein shall apply in addition to, or instead of where inconsistent with, the terms and conditions of the 2016 NuCana BioMed Limited Share Option Scheme (as amended and/or restated from time to time, the "**Scheme**").

2. Capitalized terms used but not defined in this Sub-Plan shall have the meanings set forth in the Scheme.

3. For purpose of this Sub-Plan, the following terms shall have the meanings set forth below:

   3.1. "*Fair Market Value*" means, on any given date (i) if the Shares are listed on any established stock exchange or a national market system, including without limitation the NASDAQ Global Market, the NASDAQ Global Select Market or the NASDAQ Capital Market, the closing sales price for such Shares as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Board deems reliable (or, if no closing sales price was reported on that date, on the last trading date such closing sales price was reported); (ii) if (i) does not apply, then if the Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the mean between the high bid and low asked prices for the Shares on the day of determination (or, if no bids and asks were reported on that date, on the last trading date such bids and asks were reported); or (iii) if (i) and (ii) do not apply, such value as the Board in its discretion may in good faith determine in accordance with Section 409A of the US Code and the regulations thereunder (and, with respect to Incentive Stock Options, in accordance with Section 422 of the US Code and the regulations thereunder).

   3.2. "*Incentive Stock Option*" means an Option or portion thereof intended to meet the requirements of an incentive stock option as defined in US Code Section 422 and designated as an Incentive Stock Option in the applicable Option Agreement, and if the Board does not designate an Option as an Incentive Stock Option in the Option Agreement, the terms of the Option Agreement for such Option hereby provide that the Option will not be treated as an Incentive Stock Option under US Code Section 422.

3.3. "*Non-Qualified Option*" means an Option or portion thereof that does not qualify as or is not intended to be an Incentive Stock Option or that is not designated as an Incentive Stock Option in the applicable Option Agreement.

3.4. "*Ten Percent Shareholder*" means an individual who on any given date owns, either directly or indirectly (taking into account the attribution rules contained in US Code Section 424(d)), stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or a "parent" or "subsidiary" company (within the meaning of US Code Section 424).

3.5. "*US Code*" means the US Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

3.6. "*US Exchange Act*" means the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

4. Eligibility. An individual who is subject to US Code Section 409A will not be an Eligible Employee unless he or she is an employee of, or a director to, the Company or a Qualifying Subsidiary in which the Company has a "controlling interest" (for purposes of US Code Section 409A).

5. Options. The Option Price per Share of an Option granted to a US Participant shall not be less than the Fair Market Value of a Share underlying the Option on the grant date and the maximum number of Shares issuable to any US Participant upon the exercise of an Option shall not exceed 1,252,071 Shares in any fiscal year, subject to adjustment as provided in Rule 10 of the Scheme. The "Date of Grant" of an Option granted to a US Participant shall be the date on which such Option was approved by the Board.

6. Incentive Stock Options. The following conditions apply to awards of Incentive Stock Options in addition to or, where inconsistent, in lieu of those described in the Scheme:

6.1. Eligibility. Incentive Stock Options may be granted only to US Participants who are employees of the Company or any of its "parent" or "subsidiary" companies (within the meaning of US Code Section 424).

6.2. Option Price. In the case of a Ten Percent Shareholder, the price at which a Share may be purchased upon exercise of an Incentive Stock Option shall not be less than 110% of the Fair Market Value of such Share on the grant date.

6.3. Certain Maximum Limits. The maximum number of Shares issuable upon the exercise of Incentive Stock Options at any time shall not exceed 5,008,434 Shares, subject to adjustment as provided in Rule 10 of the Scheme.

6.4. Term of Options. In the case of a Ten Percent Shareholder, the term of an Incentive Stock Option shall be no greater than five years.

6.5. Notice. Each US Participant awarded an Incentive Stock Option under the Scheme shall notify the Company in writing immediately after the date he or she makes a "disqualifying disposition" (as defined in US Code Section 421(b)) of any Shares acquired pursuant to the exercise of such Incentive Stock Option. The Company may, if determined by the Board and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an Incentive Stock Option as agent for the applicable US Participant until the end of any period during which a disqualifying disposition could occur, subject to complying with any instructions from such US Participant as to the sale of such Shares.

6.6. Certain Dollar Limitations. The aggregate Fair Market Value, determined as of the grant date, for Options granted under the Scheme (or any other stock option scheme required to be taken into account under US Code Section 422(d)) that are intended to be Incentive Stock Options which are first exercisable by the US Participant during any calendar year shall not exceed $100,000. To the extent an Option purporting to be an Incentive Stock Option exceeds the limitation in the previous sentence, the portion of the Option in excess of such limit shall be a Non-Qualified Option.

6.7. Limits on Transferability. Notwithstanding anything in the Scheme to the contrary, no Incentive Stock Option shall be pledged, encumbered, or hypothecated to, or in favor of, or subject to any lien, obligation, or liability of a US Participant to, any party, other than the Company or any Subsidiary, or assigned or transferred by a US Participant otherwise than by will or the laws of descent and distribution, and such Incentive Stock Options and rights shall be exercisable during the lifetime of the US Participant only by the US Participant or his or her guardian or legal representative.

7. Replacement Options. The provisions of Rule 8 of the Scheme regarding the granting of a Replacement Option shall apply to Options held by US Participants, provided that any such Replacement Option shall satisfy the requirements of US Code Section 409A (and to the extent applicable, US Code Section 422).

8. Variation of Capital. Any adjustment under Rule 10 of the Scheme to an Option held by a US Participant shall be done in accordance with US Code Section 409A (and to the extent applicable, US Code Section 422).

9. Tax Withholding. The Company and its subsidiaries shall be entitled to withhold from any payments or vesting or exercise of Options under the Scheme any amount of federal, state and local tax withholding determined by the Board to be required by law (including, without limitation, in their sole discretion, withholding Shares that otherwise would be acquired upon the exercise of an Option and/or withholding from any payroll or other amounts otherwise due to a US Participant).

10. US Code Section 409A. With respect to US Participants, the Scheme, this Sub-Plan and all Options are intended to comply with, or be exempt from, US Code Section 409A and all regulations, guidance, compliance programs and other interpretative authority thereunder, and all provisions of the Scheme, this Sub-Plan and related agreements shall be applied and interpreted in a manner consistent therewith. Notwithstanding anything contained herein to the contrary, in the event any Option is subject to US Code Section 409A, the Board or the Company's general counsel may, in their sole discretion and without a US Participant's prior consent, amend the Scheme, this Sub-Plan and/or any Option, adopt policies and procedures, or take any other actions as deemed appropriate by the Board or the Company's general counsel to (i) exempt the Scheme, this Sub-Plan and/or any Option from the application of US Code Section 409A, (ii) preserve the intended tax treatment of any such Option or (iii) comply with the requirements of US Code Section 409A. Neither the Company nor any of its Subsidiaries shall be held liable for any taxes, interest, penalties or other amounts owed by a US Participant under US Code Section 409A. In the event that a US Participant is a "specified employee" within the meaning of US Code Section 409A, and a payment or benefit provided for under the Scheme or this Sub-Plan would be subject to additional tax under US Code Section 409A if such payment or benefit is paid within six (6) months after such US Participant's separation from service (within the meaning of US Code Section 409A), then such payment or benefit shall not be paid (or commence) during the six (6) month period immediately following such US Participant's separation from service except as provided in the immediately following sentence. In such an event, any payments or benefits that would otherwise have been made or provided during such six (6) month period and which would have incurred such additional tax under US Code Section 409A instead shall be paid to the US Participant in a lump-sum, without interest, on the earlier of (i) the first business day of the seventh month following such US Participant's separation from service or (ii) the tenth business day following such US Participant's death. Any provision of the Scheme or this Sub-Plan that violates US Code Section 409A shall be deemed null and void with respect to any US Participant.

SCHEDULE 1

Form of Letter of Invitation

[On Company Notepaper]

Dear [name of employee]

NUCANA BIOMED LIMITED SHARE OPTION SCHEME ("SCHEME")

I am pleased to advise you that the Board of directors of NuCana Biomed Limited **("Company")** has resolved to invite you to apply for the grant of an EMI Option pursuant to the terms of the Rules of the Scheme and the attached Option Agreement to acquire ● ordinary shares of ● pence each of the Company (**"Shares"**) at an exercise price of ● pence per Share (**"Option Price"**) as agreed with HM Revenue and Customs for the purposes of the grant of an EMI Option under the Scheme as the Market Value of a Share at the Date of Grant.

Enclosed with this letter you will find:-

1. Copy Letter
2. Option Agreement
3. Exercise Notice
4. Rules of the Scheme
5. Articles of Association of the Company

You should read the enclosed Option Agreement and Rules carefully and, if you wish to accept the EMI Option, sign the Option Agreement in the presence of an independent witness (who should add his or her name, address and occupation where indicated). Please do not date the Option Agreement. Return the Option Agreement to the Company Secretary at ● no later than 14 days from the date of receipt this letter.

If you do not return the duly signed Option Agreement to the Company Secretary within 14 days then this invitation will lapse and you will no longer be entitled to the EMI Option.

If you do return a duly signed Option Agreement to the Company Secretary within 14 days the EMI Option will be granted to you on [ ] days from date of invitation. *NOTE the date of the Option Agreement should correspond with this date.*

Note that the Option Agreement includes a requirement that you indemnify the Company in respect of any income tax collectible under PAYE and employee's national insurance contributions charges which may arise on exercise of your EMI Option (**"Tax Liability"**). This is referred to in Rule 2.6(a) which you should read. The Option Agreement also requires you to enter into a Joint Election relating to restricted shares, if required by the Company.

Following receipt of the duly executed Option Agreement by the Company Secretary, it will be executed for and on behalf of the Company and dated. Then it will be returned to you for your safekeeping and should be kept as evidence of your entitlement to the EMI Option.

Please address any queries which you may have about the operation of the Scheme or the Option Agreement to the Company Secretary.

Yours sincerely

for and on behalf of

NUCANA BIOMED LIMITED

[On Company Notepaper]

Copy to sign and return

Dear [name of employee]

NUCANA BIOMED LIMITED SHARE OPTION SCHEME ("SCHEME")

I am pleased to advise you that the Board of directors of NuCana Biomed Limited **("Company")** has resolved to invite you to apply for the grant of an EMI Option pursuant to the terms of the Rules of the Scheme and the attached Option Agreement to acquire ● ordinary shares of ● pence each of the Company (**"Shares"**) at an exercise price of ● pence per Share (**"Option Price"**) as agreed with HM Revenue and Customs for the purposes of the grant of an EMI Option under the Scheme as the Market Value of a Share at the Date of Grant.

Enclosed with this letter you will find:-

1. Copy Letter
2. Option Agreement
3. Exercise Notice
4. Rules of the Scheme
5. Articles of Association of the Company

You should read the enclosed Option Agreement and Rules carefully and, if you wish to accept the EMI Option, sign the Option Agreement in the presence of an independent witness (who should add his or her name, address and occupation where indicated). Please do not date the Option Agreement. Return the Option Agreement to the Company Secretary at ● no later than 14 days from the date of receipt this letter.

If you do not return the duly signed Option Agreement to the Company Secretary within 14 days then this invitation will lapse and you will no longer be entitled to the EMI Option.

If you do return a duly signed Option Agreement to the Company Secretary within 14 days the EMI Option will be granted to you on [ ] days from date of invitation. *NOTE the date of the Option Agreement should correspond with this date.*

Note that the Option Agreement includes a requirement that you indemnify the Company in respect of any income tax collectible under PAYE and employee's national insurance contributions charges which may arise on exercise of your EMI Option (**"Tax Liability"**). This is referred to in Rule 2.6(a) which you should read. The Option Agreement also requires you to enter into a Joint Election relating to restricted shares, if required by the Company.

Following receipt of the duly executed Option Agreement by the Company Secretary, it will be executed for and on behalf of the Company and dated. Then it will be returned to you for your safekeeping and should be kept as evidence of your entitlement to the EMI Option.

Please address any queries which you may have about the operation of the Scheme or the Option Agreement to the Company Secretary.

Yours sincerely

for and on behalf of

NUCANA BIOMED LIMITED

Signed: _____ **(employee)**

Dated: _____

Form of Unapproved Option Agreement

This Agreement which is in the form of a deed is made the [●] day of [●] 2016

BETWEEN

(1) **NuCana Biomed Limited** (03308778) whose registered office is at 77-78 Cannon Street, London, England, EC4N 6AF ("**the Company**"); and

(2) [option holder's name] of [option holder's address] who will become "**the Option Holder**"

RECITALS

A. This Unapproved Option is granted subject to the rules of the 2016 NuCana Biomed Limited Share Option Scheme ("**the Scheme**").

B. A copy of the rules which is appended to this Agreement provides for the grant of options for commercial reasons in order to recruit and retain key Eligible Employees ("**the Rules**").

C. The Option Holder [commenced employment] or [became a director] with the Company on [●] ("**the Commencement Date**").

NOW THIS AGREEMENT WITNESSES

1. In this Agreement the definitions in the Rules shall apply.

2. The Company hereby grants to the Option Holder the Unapproved Option to acquire a maximum of [●] Shares, at an Option Price of [●] per Share.

3 <u>Exercise</u>

3.1 The options shall be exercisable as follows:

a) options over [●] Shares may be exercised at any time after the date falling 12 months from the Commencement Date ("**the First Anniversary**") provided the Option Holder is an Eligible Employee on the First Anniversary;

b) options over a further [●] Shares may be exercised at any time after the date falling 24 months from the Commencement Date ("**the Second Anniversary**") provided the Option Holder is an Eligible Employee on the Second Anniversary;

c) options over a further [●] Shares may be exercised at any time after the date falling 36 months from the Commencement Date ("**the Third Anniversary**") provided the Option Holder is an Eligible Employee on the Third Anniversary;

d) options the final [●] Shares may be exercised at any time after the date falling 48 months from the Commencement Date ("**the Fourth Anniversary**") provided the Option Holder is an Eligible Employee on the Fourth Anniversary;

and where options become exerciseable in accordance with the foregoing they shall be referred to as having "**vested**" or "**vest**" and those which are not exerciseable shall be referred to as "**unvested**".

3.2 Upon the Option Holder ceasing to be an Eligible Employee for any reason all options which are unvested shall lapse forthwith.

3.3 All unvested options which have not lapsed in accordance with clause 3.2 shall immediately vest if following a Change of Control of the Company (as defined in the Rules):-

(a) The Option Holder remains an Eligible Employee; and

(b) One of the following conditions is also satisfied:-

(i) The Option Holder has experienced a material reduction in his base compensation payable on or around the Date of Grant or as the same may be increased from time to time; or

(ii) The Option Holder has experienced a material change or reduction in his authority, duties, reporting or responsibilities, provided, however, that a change in job title shall not be deemed a "material reduction" unless the Option Holder's new authority, duties, reporting or responsibilities are substantially changed or reduced from the prior authority, duties, reporting or responsibilities.

4. The Unapproved Option may not be exercised:

4.1 after the time in Rule 6.2(a);

4.2 from the date the Option Holder ceases to be an Eligible Employee of the Company or of any Qualifying Subsidiary in accordance with Rule 6.2 (b) (except to the extent provided in Rule 6.2 (b) and Rule 7) and Rule 6.2 (b) shall be deemed to refer to the Option Holder ceasing to be an "Eligible Employee";

4.3 following a Change of Control or a Sale of the Company except to the extent provided in Rule 8;

4.4 following the commencement of the winding up of the Company as set out in Rule 9.

provided that in the case of sub-clause 4.3 above where options have not vested in accordance with any of clauses 3.1 (a) to (d) prior to the occurrence of a Change of Control or Sale and where the vesting conditions to any such options are thereafter satisfied on the relevant vesting anniversaries occurring after the Change of Control or Sale (a "**Post Event Vested Option**") the Option Holder shall remain entitled to exercise the Post Event Vested Option within the period of 30 days following the date of it becoming vested and Rule 8 shall be interpreted accordingly. Where the Post Event Vested Option is not so exercised within the period of 30 days following the date of it becoming so vested it shall lapse.

5. The Unapproved Option will lapse on the occurrence of any of the events as set out in Rule 6.2.

6. To exercise the Unapproved Option the Option Holder must lodge with the Company Secretary of the Company (or such other person as the Company may from time to time notify to the employee in writing):

6.1 this Option Agreement;

6.2 a duly completed Notice of Exercise in the form appended to this Option Agreement;

6.3 where required by the Company, a duly completed Joint Election; and

6.4 a cheque made payable to the Company in respect of the Option Price.

7. The Option Holder hereby:

7.1 covenants with the Company to allow the Company to recover from the Option Holder **Tax Liabilities** arising in connection with or as a result of the exercise of the Unapproved Option and to indemnify and keep indemnified on a continuing basis the Company and any Group Member in respect of such Tax Liabilities and for the purposes of such indemnity:

7.2 hereby authorises the Company to deduct sufficient funds which, in the reasonable opinion of the Board, would be equal to any Tax Liabilities from any payment made to or in respect of the Option Holder by it or any Group Member during the same calendar month or other relevant period in which such Tax Liabilities arise. If there is no such payment made or the Tax Liabilities exceed the amount of such payment the Option Holder hereby agrees to pay the full amount of the Tax Liabilities or any such excess (as the case may be) in cleared funds within seven days of a valid demand by the Company or any Group Member; and

7.3 appoints a member of the Board as his trustee for the purposes of providing the Company or any Group Member (as appropriate) with sufficient funds to recover any Tax Liabilities by receiving on trust or retaining on trust (as the case may be) (out of the total number of Shares to which the Option Holder is entitled following the relevant exercise of the Unapproved Option) the legal title to and selling such number of Shares as, in the reasonable opinion of the Board, is required to realise a cash amount equivalent to the Tax Liabilities and the Option Holder hereby covenants to pay to the Company, should such sale realise a cash amount less than the Tax Liabilities, an amount equal to the difference within seven working days of demand by the Company.

8. The Unapproved Option is exercisable only by the Option Holder (or his personal representatives) and may not be transferred, assigned or charged and the Unapproved Option will lapse on the occasion of any assignment, charge, disposal or other dealing with the rights conveyed by it.

9. The Company has agreed or will agree the Market Value of a Share for the purposes of this Scheme as at the Date of Grant with HM Revenue and Customs.

10. A person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

11. The Shares which will be acquired when the Option is exercised are subject to the terms and restrictions set out in the Company's articles of association, and a copy of the current articles of association is attached.

APPENDIX

Form of Notice of Exercise

Please read the notes at the foot of his form carefully before completing it

To: The Secretary
NuCana Biomed Limited

I, the undersigned[1], having become entitled so to do, hereby exercise the Unapproved Option referred to in the attached Agreement in respect of Shares comprised in the Unapproved Option upon the terms of the 2016 NuCana Biomed Limited Share Option Scheme (**"Scheme"**) and agree to accept the Shares to be allotted and issued pursuant to this Notice of Exercise subject to and in accordance with the memorandum and articles of association of the Company and hereby request you to place my name on the register of members in respect thereof.

I enclose a remittance for £[2] being the aggregate Option Price payable for the Shares in respect of which the Unapproved Option is now exercised, the Option Price (per Share) being [ ].

I understand that income tax and NIC (referred to as a Tax Liabilities in the Rules of the Scheme) may need to be accounted for by the Company to HM Revenue and Customs on this exercise and in respect of which I have indemnified the Company. I further understand that the Company has an obligation to deduct, insofar as possible, the amount of any Tax Liabilities from payments that it makes to me and I authorise the Company to make such deductions from my salary or other payments due to me.

(please tick as appropriate[3])

☐ I wish to make a cash payment to the Company in respect of the outstanding Tax Liabilities (after deduction by the Company) arising from this exercise and enclose a second cheque made payable to the Company for £●.

☐ I authorise the Company to retain and to sell on my behalf sufficient Shares so as to realise an amount sufficient to discharge the Tax Liabilities arising from this exercise.

1 Although the Option referred to overleaf is personal to the holder named overleaf it may be exercised by his personal representative(s) if he dies while the Option is still capable of exercise provided the personal representative(s) does/do so before the expiration of 12 months from the date of the Option Holder's death or 10 years from the date of its grant (if sooner). If there are more than one, each of the personal representatives must sign this form. A copy of the Grant of Probate must be provided with the completed Notice of Exercise.

2 The remittance should be for an amount equal to the Option Price per Share shown overleaf, multiplied by the number of Shares applied for.

3 Please tick the appropriate box. If you fail to tick a box or if you tick the first box but your cash payment or next month's salary are insufficient to cover the full liability, the Company will retain and sell sufficient shares to cover the liability or shortfall or will withhold the transferring of the shares to you until the full tax liabilities have been met by you.

If applicable, I hereby request you to despatch a balance certificate for the Unapproved Option to subscribe for any Shares included in the Unapproved Option referred to overleaf and not exercised on this occasion, by post at my risk to the address mentioned below.

Signature: _____ Date: _____

Surname: _____

Forename(s): _____

Address: _____

_____

_____

_____

In Witness whereof the parties have signed this Agreement on the date specified above:

EXECUTED as a **DEED**)
but not delivered until the date hereof)
for and on behalf of **THE COMPANY**)

Director

Director/Secretary

SIGNED as a **DEED**)
but not delivered until the date hereof)
by ●)
in the presence of:)

Name of Witness _____
Address _____
_____
_____
_____

Form of Option Agreement

This Agreement which is in the form of a deed is made the [●] day of [●] 2016

BETWEEN

(1) **NuCana Biomed Limited** (03308778) whose registered office is at 77-78 Cannon Street, London, England, EC4N 6AF (**"the Company"**); and

(2) [employee name] of [employee address] who will become "**the Option Holder**"

RECITALS

A. This EMI Option is granted subject to the rules of the 2016 NuCana Biomed Limited Share Option Scheme, and is granted pursuant to Schedule 5 ITEPA 2003 (**"the Scheme"**).

B. A copy of the rules which is appended to this Agreement provides for the grant of options for commercial reasons in order to recruit and retain key employees ("the **Rules**").

C. The Option Holder commenced employment with the Company on [●] ("**the Commencement Date**").

NOW THIS AGREEMENT WITNESSES

1. In this Agreement the definitions in the Rules shall apply.

2. The Company hereby grants to the Option Holder the EMI Option to acquire a maximum of [●] Shares, at an Option Price of [●] per Share.

3 **Exercise**

3.1 The options shall be exercisable as follows:

a) options over [●] Shares may be exercised at any time after the date falling 12 months from the Commencement Date ("**the First Anniversary**") provided the Option Holder is an Eligible Employee on the First Anniversary;

b) options over a further [●] Shares may be exercised at any time after the date falling 24 months from the Commencement Date ("**the Second Anniversary**") provided the Option Holder is an Eligible Employee on the Second Anniversary;

c) options over a further [●] Shares may be exercised at any time after the date falling 36 months from the Commencement Date ("**the Third Anniversary**") provided the Option Holder is an Eligible Employee on the Third Anniversary;

d) options the final [●] Shares may be exercised at any time after the date falling 48 months from the Commencement Date ("**the Fourth Anniversary**") provided the Option Holder is an Eligible Employee on the Fourth Anniversary;

and where options become exerciseable in accordance with the foregoing they shall be referred to as having "**vested**" or "**vest**" and those which are not exerciseable shall be referred to as "**unvested**".

3.2 Upon the Option Holder ceasing to be an Eligible Employee for any reason all options which are unvested shall lapse forthwith.

3.3 All unvested options which have not lapsed in accordance with clause 3.2 shall immediately vest if following a Change of Control of the Company (as defined in the Rules):-

(a) The Option Holder remains an Eligible Employee; and

(b) One of the following conditions is also satisfied:-

(i) The Option Holder has experienced a material reduction in his base compensation payable on or around the Date of Grant or as the same may be increased from time to time; or

(ii) The Option Holder has experienced a material change or reduction in his authority, duties, reporting or responsibilities, provided, however, that a change in job title shall not be deemed a "material reduction" unless the Option Holder's new authority, duties, reporting or responsibilities are substantially changed or reduced] from the prior authority, duties, reporting or responsibilities.

4. The EMI Option may not be exercised:

4.1 after the time in Rule 6.2(a);

4.2 from the date the Option Holder ceases to be an employee of the Company or of any Qualifying Subsidiary in accordance with Rule 6.2 (b) (except to the extent provided in Rule 6.2 (b) and Rule 7);

4.3 following a Change of Control or a Sale of the Company except to the extent provided in Rule 8;

4.4 following the commencement of the winding up of the Company as set out in Rule 9.

provided that in the case of sub-clause 4.3 above where options have not vested in accordance with any of clauses 3.1 (a) to (d) prior to the occurrence of a Change of Control or Sale and where the vesting conditions to any such options are thereafter satisfied on the relevant vesting anniversaries occurring after the Change of Control or Sale (a "**Post Event Vested Option**") the Option Holder shall remain entitled to exercise the Post Event Vested Option within the period of 30 days following the date of it becoming vested and Rule 8 shall be interpreted accordingly. Where the Post Event Vested Option is not so exercised within the period of 30 days following the date of it becoming so vested it shall lapse.

5. The EMI Option will lapse on the occurrence of any of the events as set out in Rule 6.2.

6. To exercise the EMI Option the Option Holder must lodge with the Company Secretary of the Company (or such other person as the Company may from time to time notify to the employee in writing):

6.1 this Option Agreement;

6.2 a duly completed Notice of Exercise in the form appended to this Option Agreement;

6.3 where required by the Company, a duly completed Joint Election; and

6.4 a cheque made payable to the Company in respect of the Option Price.

7. The Option Holder hereby:

7.1 covenants with the Company to allow the Company to recover from the Option Holder **Tax Liabilities** arising in connection with or as a result of the exercise of the EMI Option and to indemnify and keep indemnified on a continuing basis the Company and any Group Member in respect of such Tax Liabilities and for the purposes of such indemnity:

7.2 hereby authorises the Company to deduct sufficient funds which, in the reasonable opinion of the Board, would be equal to any Tax Liabilities from any payment made to or in respect of the Option Holder by it or any Group Member during the same calendar month or other relevant period in which such Tax Liabilities arise. If there is no such payment made or the Tax Liabilities exceed the amount of such payment the Option Holder hereby agrees to pay the full amount of the Tax Liabilities or any such excess (as the case may be) in cleared funds within seven days of a valid demand by the Company or any Group Member; and

7.3 appoints a member of the Board as his trustee for the purposes of providing the Company or any Group Member (as appropriate) with sufficient funds to recover any Tax Liabilities by receiving on trust or retaining on trust (as the case may be) (out of the total number of Shares to which the Option Holder is entitled following the relevant exercise of the EMI Option) the legal title to and selling such number of Shares as, in the reasonable opinion of the Board, is required to realise a cash amount equivalent to the Tax Liabilities and the Option Holder hereby covenants to pay to the Company, should such sale realise a cash amount less than the Tax Liabilities, an amount equal to the difference within seven working days of demand by the Company.

8. The EMI Option is exercisable only by the Option Holder (or his personal representatives) and may not be transferred, assigned or charged and the EMI Option will lapse on the occasion of any assignment, charge, disposal or other dealing with the rights conveyed by it.

9. The Company has agreed or will agree the Market Value of a Share for the purposes of this Scheme as at the Date of Grant with HM Revenue and Customs.

10. A person who is not a party to this deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this deed. This clause does not affect any right or remedy of any person which exists or is available otherwise than pursuant to that Act.

11. The Shares which will be acquired when the Option is exercised are subject to the terms and restrictions set out in the Company's articles of association, and a copy of the current articles of association is attached.

APPENDIX

Form of Notice of Exercise

Please read the notes at the foot of his form carefully before completing it

To: The Secretary
NuCana Biomed Limited

I, the undersigned[1], having become entitled so to do, hereby exercise the EMI Option referred to in the attached Agreement in respect of Shares comprised in the EMI Option upon the terms of the 2016 NuCana Biomed Limited Share Option Scheme (**"Scheme"**) and agree to accept the Shares to be allotted and issued pursuant to this Notice of Exercise subject to and in accordance with the memorandum and articles of association of the Company and hereby request you to place my name on the register of members in respect thereof.

I enclose a remittance for £[2] being the aggregate Option Price payable for the Shares in respect of which the EMI Option is now exercised, the Option Price (per Share) being [ ].

I understand that income tax and NIC (referred to as a Tax Liabilities in the Rules of the Scheme) may need to be accounted for by the Company to HM Revenue and Customs on this exercise and in respect of which I have indemnified the Company. I further understand that the Company has an obligation to deduct, insofar as possible, the amount of any Tax Liabilities from payments that it makes to me and I authorise the Company to make such deductions from my salary.

(please tick as appropriate[3])

☐ I wish to make a cash payment to the Company in respect of the outstanding Tax Liabilities (after deduction by the Company) arising from this exercise and enclose a second cheque made payable to the Company for £●.

I authorise the Company to retain and to sell on my behalf sufficient Shares so as to realise an amount sufficient to discharge the Tax Liabilities arising from this exercise.

1 Although the Option referred to overleaf is personal to the holder named overleaf it may be exercised by his personal representative(s) if he dies while the Option is still capable of exercise provided the personal representative(s) does/do so before the expiration of 12 months from the date of the Option Holder's death or 10 years from the date of its grant (if sooner). If there are more than one, each of the personal representatives must sign this form. A copy of the Grant of Probate must be provided with the completed Notice of Exercise.

2 The remittance should be for an amount equal to the Option Price per Share shown overleaf, multiplied by the number of Shares applied for.

3 Please tick the appropriate box. If you fail to tick a box or if you tick the first box but your cash payment or next month's salary are insufficient to cover the full liability, the Company will retain and sell sufficient shares to cover the liability or shortfall or will withhold the transferring of the shares to you until the full tax liabilities have been met by you.

If applicable, I hereby request you to despatch a balance certificate for the EMI Option to subscribe for any Shares included in the EMI Option referred to overleaf and not exercised on this occasion, by post at my risk to the address mentioned below.

Signature: _____ Date: _____

Surname: _____

Forename(s): _____

Address: _____

_____

_____

_____

[If the shares are restricted under ITEPA the Option Holder should be required to enter into a Joint Election with the Company to which this Exercise Notice should refer.]

In Witness whereof the parties have signed this Agreement on the date specified above:

EXECUTED as a **DEED**)
but not delivered until the date hereof)
for and on behalf of **THE COMPANY**)

Director

Director/Secretary

SIGNED as a **DEED**)
but not delivered until the date hereof)
by ●)
in the presence of:)

Name of Witness _____
Address _____
_____
_____
_____

Research, Collaboration and Licence Agreement

THIS AGREEMENT is made this 21st day of August 2009

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 0DE, U.K. (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LTD** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 0DE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU (hereinafter referred to as "**Nucana**"),

together the "Parties" and each a "Party".

RECITALS

i The University has expertise in the purification and characterisation of phosphoramidate prodrugs.

ii The University has agreed to carry out the Project for Nucana upon the terms and conditions set out in this Agreement.

iii Nucana has agreed to arrange for external biological evaluation of phosphoramidate protides prepared by the University in support of the Project.

iv UC3 is a wholly owned company of the University which is used to hold and exploit intellectual property rights on behalf of the University.

v The University and UC3 have agreed that the ownership of the results of the Project shall vest solely in Nucana and the University has agreed to grant Nucana an exclusive licence to use the Protides IP in respect of each Nucleoside Family worked on during the Project upon the terms and conditions set out in this Agreement.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

WHEREAS the Parties hereby agree:

1 The Project

1.1 The University shall carry out the Project and provide the deliverables set out in Schedule 1 during the Project Period.

1.2 Nucana will arrange at its own cost for external biological evaluation of phosphoramidate protides prepared by the University and will share the results generated with the University as soon as is reasonably practicable. The University will be entitled to use such results for the sole purpose of carrying out the Project. The University will treat such results as Information provided to it by Nucana and keep such results confidential in accordance with Clause 6.

1.3 The Project shall be undertaken by

1.3.1 [***] engaged [***] from [***]; and

1.3.2 [***] engaged [***]

under the direction and supervision of the Principal Investigator. If at any time during the Project Period the Principal Investigator is unable or unwilling to continue supervising the Project the University in consultation with Nucana shall endeavour to appoint a successor as soon as reasonably practicable thereafter. If an appropriate successor acceptable to both the University and Nucana cannot be found within [***], Nucana may terminate this Agreement upon giving the other Parties [***] written notice.

1.4 The Project may be extended beyond the Initial Project Period for a further period or periods by the written agreement of the Parties as to the scope of any additional work and/or research funding and exclusivity payments, it being acknowledged that such payments will not differ significantly from the Exclusivity Payments set out in this Agreement.

2 Funding by Nucana

2.1 The University shall carry out the Project in consideration of payment by Nucana of the Project Fees being:

2.1.1 £[***] in respect of the [***] on the Effective Date;

2.1.2 £[***] in respect of the [***] on the Effective Date, such payment to cover the period of [***] from [***]; and

2.1.3 [***] after the Effective Date - £[***] in respect of the [***].

The University will charge VAT in addition where appropriate.

2.2 Nucana will reimburse the University from time to time [***] on receipt of an appropriate invoice for the consumables actually used by the [***] and/or the [***] in the course of performing the Project up to a maximum of [***] pounds (£[***]) per annum in aggregate for both [***] and up to a maximum of [***] (£[***]) per annum (pro rated as applicable) for the [***].

2.3 The [***] may be engaged for a further period of [***] following the initial period referred to in Clause 2.1.2 subject to agreement between the Parties.

2.4 If Nucana fails to make any payment due pursuant to Clauses 2, 5.2, 8.5, or 9, by the date for payment of the same, without prejudice to any other right or remedy available to the University or UC3, the University or UC3 may charge interest (both before and after any judgment) on the amount outstanding, at the interest rate in force pursuant to the Late Payment of Commercial Debts (Interest) Act 1998. That interest will be calculated from the date or last date for payment to the actual date of payment, both dates inclusive, and will be compounded quarterly. Nucana will pay that interest to the University or UC3 on demand.

3 University and Student Responsibilities

3.1 The University will carry out the Project in accordance with Nucana's reasonable instructions and shall use all reasonable skill and care in the performance of the Project.

3.2 The University will provide Nucana with regular written reports summarising the progress of work under the Project and the Results, and shall provide Nucana with a final report containing all of the Results reasonably promptly following completion of the Project. The University shall use all reasonable endeavours to answer reasonably promptly all reasonable queries received from Nucana regarding the performance of the Project and the Results.

4 Warranties and Limitations and Exclusions of Liability

4.1 The University does not undertake that work carried out under or pursuant to this Agreement will lead to any particular result and Nucana acknowledges and understands that the success of the Project is not guaranteed.

4.2 The University does not accept any responsibility for any use which may be made of any work carried out under or pursuant to this Agreement, or of the Results, nor for any reliance which may be placed on such work or the Results, nor for advice or information given in connection with them.

4.3 Nucana acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation or warranty given by the University, UC3, their employees or officers and any conditions, warranties or other terms implied by statue or common law are excluded from this Agreement to the fullest extent permitted by law. Accordingly, Nucana acknowledges and accepts that, other than as set out in Clause 4.4, neither the University or UC3 make any warranties or representations whether express or implied regarding the Results and/or the Intellectual Property in the Results and no warranty nor representation is given that:

4.3.1 the Results and/or the Intellectual Property in the Results and/or use of the same will not infringe the rights of any person;

4.3.2 the Project will be successful or that any particular result or objective shall be achieved, be achievable or be attained at all or by expiry of the Project Period or by any other date.

4.4 The University and UC3 each hereby warrants to Nucana that:

4.4.1 no third parties have been granted any rights to use the Protides IP in connection with any compounds comprised within the Nucleoside Families (with the exception of [***] under the Research Agreement);

4.4.2 all necessary steps have been taken to ensure that UC3 will own all rights in the Results and the Foreground Intellectual Property, including but not limited to any Results and Foreground Intellectual Property generated by the [***] and any other persons engaged by the University to perform the Project, so as to enable UC3 to assign ownership of the Results and the Foreground Intellectual Property to Nucana pursuant to Clause 8.3;

4.4.3 UC3 has the right to grant the exclusive licence to Nucana to use the Protides IP as set out in Clauses 8.4 to 8.7 (inclusive); and

4.4.4 prior to the date of execution of this Agreement, the University has entered into a written agreement with [***] under which [***] has agreed to assign (on the University's request and without any additional consideration) to the University all of their property, rights, title and interest (if any) in and to the Results and the Foreground Intellectual Property.

4.5 Nucana undertakes to make no claim against the Principal Investigator or any other employee, student, agent or appointee of the University, being a claim which seeks to enforce against any of them any liability whatsoever in connection with this Agreement or its subject matter.

4.6 In no event shall any Party be liable to the other Parties under or in connection with this Agreement for:

4.6.1 loss of contracts, loss of goodwill, loss of opportunity, loss of profits, loss of turnover or loss of anticipated savings but only to the extent such losses are not direct losses; or

4.6.2 any indirect or consequential loss or special loss or damage of any nature whatsoever.

4.7 Save in respect of [***], the maximum liability of the University or UC3 to Nucana under or otherwise in connection with this Agreement or its subject matter shall be [***].

4.8 If any provision of this Clause 4 is held to be invalid or unenforceable under any applicable statute or rule of law then it shall be deemed to be omitted, and if as a result any Party becomes liable for loss or damage which would otherwise have been excluded then such liability shall be subject to the remaining provisions of this Clause 4.

5 Exclusivity

5.1 In consideration of payment of the Exclusivity Payments and subject to Clause 5.3 the University and UC3 each agrees that it will not:

5.1.1 during the Project Period:

(a) undertake any [***] research on compounds comprised within the Nucleoside Families with or for [***] where such research would require utilisation of the Protides IP; and/or

(b) grant to any third party any licence or right to use, or any option to obtain a licence or right to use, the Protides IP in connection with any of the Nucleoside Families or compounds comprised within the Nucleoside Families for any purpose whatsoever;

5.1.2 during the Extended Licence Period or Further Licence Period:

(a) undertake with or for any third party any industrially sponsored research on those Compounds in respect of which a licence is granted during such Extended Licence Period or (as the case may be) Further Extended Licence Period (the “Exclusive Compounds”) or on any compounds within such Exclusive Compounds’ Nucleoside Families (“Related Compounds”) where such research would require utilisation of the Protides IP; and/or

(b) grant to any third party any licence or right to use, or any option to obtain a licence or right to use, the Protides IP in connection with any of the Exclusive Compounds or Related Compounds for any purpose whatsoever.

For the avoidance of doubt, Nucana agrees that the [***] project entitled [***] carried out at the University does not and will not constitute a breach of this Clause 5.1.

5.2 Nucana will pay the following sums to UC3:

£[***] on the Effective Date; and

£[***] after the Effective Date.

UC3 will charge VAT in addition where appropriate.

5.3 Nucana acknowledges and accepts that where the University is obliged to carry out research or development in respect of any of the Nucleoside Families under the Research Agreement, such research or development shall not constitute a breach of the obligations set out in Clause 5.1. Nucana further acknowledges and accepts that the University cannot guarantee that the Nucleoside Families will not be covered by the claims contained in any patents granted pursuant to the patent applications assigned to [***] under the Assignment Deed.

6 Confidentiality

6.1 The University undertakes not to use or disclose to any third party any Information which is disclosed by Nucana to the University for use in the Project or any Results generated during the Project ("Confidential Information") save that the University may disclose all and any Confidential Information to employees, students, officers and consultants of the University who need to know the same in connection with the performance of this Agreement or to advisers of the University who are providing advice in connection with this Agreement provided that all such personnel are bound by appropriate written terms of confidentiality equivalent to those contained in this Clause 6.

6.2 The obligation of non-disclosure set out in Clause 6.1 shall not apply with respect to information which the Receiving Party can show:

(a) is known to the Receiving Party before the Effective Date, and not impressed already with any obligation by the Disclosing Party; or

(b) is or becomes publicly known without fault on the part of the Receiving Party; or

(c) is obtained by the Receiving Party from a third party in circumstances where they have no reason to believe that there has been a breach of an obligation of confidentiality owed to the Disclosing Party; or

(d) the Receiving Party develops independently; or

(e) is approved for release in writing by an authorised representative of the Disclosing Party; or

(f) the Receiving Party is specifically required to disclose pursuant to an order of any Court of competent jurisdiction in order to fulfil the Court Order or in order to comply with any other legislation. Before making such a disclosure the Receiving Party shall inform the Disclosing Party of the requirement to make such disclosure.

7 Publications

7.1 Nucana recognises that under University policy, the Results must be publishable and agrees that, subject to Clause 7.2, the University shall be permitted to present at symposia, national or regional professional meetings, and to publish in journals or otherwise of their own choosing, methods and results of the Project and accordingly Nucana hereby grants or agrees to grant to the University a licence to use the Intellectual Property in the Results for such purposes.

7.2 Subject to the provisions of Clause 7.3, the University agrees to provide Nucana with a copy of any proposed publication at least [***] prior to submission for publication. Nucana may object to publication by providing notice to the University on the basis that:

7.2.1 the publication contains Confidential Information; or

7.2.2 the publication contains Intellectual Property belonging to Nucana

PROVIDED THAT if the University has not received notice from Nucana objecting to the publication within [***] of Nucana receiving a copy of the proposed publication Nucana shall be deemed to have agreed to the publication and the University may proceed with the publication.

If Nucana objects to the proposed publication:

(a) on the basis the publication contains Confidential Information and/ or Intellectual Property belonging to Nucana other than the Foreground Intellectual Property, Nucana shall identify such Confidential Information and/ or Intellectual Property and the University shall remove such Confidential Information and/ or Intellectual Property from the publication;

(b) on the basis that the publication contains Foreground Intellectual Property, the University shall delay publication for a period of [***] from the date of receipt of the proposed publication by Nucana in order that Nucana may file patent applications to protect such Foreground Intellectual Property.

(c) If Nucana considers that there are exceptional circumstances requiring a longer delay in respect of any proposed publication to permit Nucana to file patent applications to protect the Foreground Intellectual Property and that view is supported by Nucana's patent agents, Nucana may request that the University delays such publication for up to [***] from the date of receipt of the proposed publication by Nucana and the University shall be bound to agree to such request provided that Nucana provides the University with details of the exceptional circumstances necessitating such a delay and the supporting advice from the patent agents.

It is further agreed by the University that, at Nucana's request, an acknowledgement to Nucana be included in any written publication produced by the University in recognition of Nucana's involvement in the Project.

7.3 Notwithstanding the provisions of Clauses 7.1 and 7.2, nothing contained in this Agreement shall prevent or hinder any student employed by the University in connection with the Project from submitting a thesis incorporating or using the Foreground Intellectual Property or the Results, the examination of such a thesis by examiners appointed by the University or the deposit of such a thesis in a University library in accordance with the University's procedures provided always that:

7.3.1 the University shall obtain the prior written consent of Nucana, such consent not to be unreasonably withheld or delayed;

7.3.2 the University shall ensure that the examiners appointed by the University shall be bound by written obligations of confidentiality no less onerous than those at Clause 6;

7.3.3 the University shall ensure that the student theses are stored in a University library with restricted access for [***] from submission or such longer period (but subject to a maximum of [***]) as Nucana may reasonably request provided that the University is able to allow such extended period of restricted access taking into account University policy and the relevant student thesis on a case by case basis.

8 Intellectual Property and use of the Results

8.1 Each Party shall retain ownership in and to its Background IP. Except as otherwise stated, this Agreement shall not grant or be construed as granting any rights by license or otherwise to the other Parties in or to another Party's Background IP.

8.2 Each Party hereby grants the other Parties a non-exclusive, royalty-free licence to use its Background IP that it introduces into the Project for the purposes of completion of the Project only and, except as set out elsewhere in this Agreement, no other rights or licences are granted in respect of such Background IP.

8.3 The University and/or UC3 each hereby undertakes that all Intellectual Property in and to the Results shall belong to and vest in Nucana, and the University and UC3 each hereby:

8.3.1 assigns to Nucana all of their right, title and interest in and to any copyrights, database rights and UK unregistered design rights in and to the Results to the intent and with the effect that all such rights shall vest in Nucana on the date such rights are developed by the University;

8.3.2 assigns to Nucana all their right, title and interest in and to all other Intellectual Property in and to the Results; and

8.3.3 undertakes to execute or procure the execution of any additional documents or do or procure any other acts or things which may be necessary from to time to vest in Nucana legal and beneficial ownership of the Results and the Foreground Intellectual Property.

8.4 The University and UC3 hereby grant to Nucana, and Nucana hereby accepts, an exclusive royalty-free worldwide licence (with the right to grant sub-licences to third parties) during the Project Period to use the Protides IP in respect of the Compounds and all compounds comprised within their respective Nucleoside Families (e.g. if the University has carried out work on [***] as part of the Project then the foregoing licence will cover all [***]) for all purposes, including but not limited to researching and developing pharmaceutical products for all and any therapeutic, diagnostic, prognostic and prophylactic indications and thereafter the manufacture, marketing, distribution and sale of such pharmaceutical products.

8.5 Upon request by Nucana to the University and UC3 prior to expiry of the Project Period, the licence granted pursuant to Clause 8.4 shall be deemed to have been extended for a further period of [***] from expiry of the Project Period (the "Extended Licence Period") in respect of those Compounds upon which Evaluation Testing either has been undertaken during the Project Period, is continuing at expiry of the Project Period or is to be undertaken following expiry of the Project Period and all compounds within their respective Nucleoside Families, subject to Nucana notifying the University and UC3 at the time of such request of the Compounds in respect of which Evaluation Testing is continuing or is to be undertaken.

8.6 Upon request by Nucana to the University and UC3 prior to expiry of the Extended Licence Period, the licence referred to in Clause 8.5 above shall be deemed to have been extended for such further [***] periods (each a "Further Extended Licence Period" and together the "Further Extended Licence Periods") as Nucana may request in respect of those Compounds upon which Evaluation Testing is ongoing at such date for the purposes of finalising Evaluation Testing on such Compounds, subject to;

8.6.1 the sum of £[***] ([***] pounds) becoming due and payable by Nucana to the UC3 on the first day of each and every Further Extended Licence Period; and

8.6.2 Nucana notifying the University and UC3 at the time of such request of the Compounds upon which Evaluation Testing is ongoing at such date.

UC3 will charge VAT in addition where appropriate.

8.7 Once Nucana has completed its Evaluation Testing on the Compounds, it shall notify the University and UC3 of such completion and of those Compounds which, following such Evaluation Testing, are reasonably deemed by Nucana to be suitable for commercialisation (the "Selected Compounds"). The University and UC3 hereby grants to Nucana, and Nucana hereby accepts, an exclusive royalty-free worldwide licence (with the right to grant sub-licences to third parties) (terminable only in the circumstances set out in Clause 8.9) to use the Protides IP in respect of the Selected Compounds and all compounds comprised within their respective Nucleoside Families (i.e. if a [***] is one of the Selected Compounds, then the foregoing licence will cover all [***]) for all purposes, including but not limited to researching and developing pharmaceutical products for all and any therapeutic, diagnostic, prognostic and prophylactic indications and thereafter the manufacture, marketing, distribution and sale of such pharmaceutical products.

8.8 The University and UC3 each hereby agrees not (except as expressly permitted under other provisions of this Agreement) at any time whilst the licences granted pursuant to:

8.8.1 Clauses 8.4 or 8.5 remain in force, to use, or to grant to any person or entity a licence or other right to use the Protides IP with any of the Compounds/ or and any of the compounds comprised within their respective Nucleoside Families covered by such licences or to conduct research on such Compounds and/ or any compounds comprised within their respective Nucleoside Families on behalf of or in collaboration with any third party, for any purpose whatsoever;

8.8.2 Clauses 8.6 or 8.7 remain in force, to use, or to grant to any person or entity a licence or other right to use the Protides IP with any of the Compounds covered by such licences and/ or any compounds comprised within their respective Nucleoside Families or to conduct research on such Compounds and/or any compounds comprised within their respective Nucleoside Families on behalf of or in collaboration with any third party, for any purpose.

8.9 All the licences granted to Nucana pursuant to Clauses 8.4, 8.5 and 8.6 and 8.7:

8.9.1 may be terminated by UC3:

(a) [***] by serving written notice upon Nucana in the event of Nucana's Insolvency;

(b) by giving [***] written notice to Nucana in the event of a material breach of any such licence including, but not limited to, failure to make the payments due under Clause 8.6, which if capable of remedy by Nucana is not remedied within the [***] notice period;

(c) if Nucana fails to pay any of the payments payable pursuant to Clause 9 within [***] of the due date for payment thereof;

8.9.2 shall [***] terminate upon termination of this Agreement pursuant to the provisions of Clause 11.2.

8.10 Nucana shall promptly notify the University at the end of the Extended Licence Period or Further Extended Licence Periods as applicable of the Compounds (if any) which it no longer requires a licence for and the restrictions upon the University and UC3 at Clause 8.8 shall cease to apply in respect of those Compounds (if any). For the avoidance of doubt the restrictions at Clause 8.8 shall cease to apply if the licences granted pursuant to Clauses 8.4, 8.5, 8.6 and/or 8.7 are terminated pursuant to Clause 8.9.

8.11 Nucana hereby grants or agrees to grant to the University a royalty-free licence to use any Intellectual Property in and to the Results for the University's own internal non-commercially funded research and academic and teaching purposes, provided that such purposes do not cause the University to be in breach of any other term of this Agreement including its obligation of confidentiality set out in Clause 6.

8.12 Nucana shall indemnify and hold harmless the University, UC3, their employees and agents, from and against any claim, loss, damage or expense relating to Nucana's use and/or uses of any and all Results, the Intellectual Property in the Results and/or any other advice or information supplied to Nucana pursuant to this Agreement but excluding any such claim, loss, damage or expense to the extent that it arises as a result of any breach by the University or UC3 or their employees and agents of the terms of this Agreement or any negligence on the part of the University or UC3 or their employees and agents. The University and/ or UC3 (as the case shall be) shall provide Nucana with written notice of any such claim or liability as soon as possible and in any event within [***] of receiving notice of any such claim or liability. Nucana shall be solely responsible for the investigation, defence, settlement and discharge of such claim or liability and the University and/or UC3 shall provide Nucana with all assistance reasonably requested by Nucana in connection with the investigation, defence, settlement and discharge of such claim or liability.

9 Milestone and Royalty Payments

9.1 Nucana agrees to make milestone payments to UC3 as set forth in Schedule 2. Each milestone payment is owed whether the milestone is achieved by Nucana, an Affiliate, Licensee or Assignee. Nucana shall inform UC3 within [***] of the event and the payment shall be made within [***] of the notice of each event being served to UC3. If the milestone is achieved by a Licensee or Assignee, Nucana shall inform UC3 within [***] of Nucana's knowledge of the event and payment shall be made within [***] of notice of each event being served to UC3.

9.2 Nucana will pay to UC3 a royalty of [***] percent ([***]%) of Net Sales of Nucana or any of its Affiliates.

9.3 Nucana will pay to UC3 a royalty of [***] percent ([***]%) of all Other Income received by Nucana or any of its Affiliates from the exploitation of the Results and/or Foreground Intellectual Property.

9.4 [***]

9.5 Within [***] of the end of the period commencing on the Effective Date and ending on [***] and each subsequent period of [***] commencing on [***] (each a "Royalty Period"), Nucana shall submit to UC3 a written statement detailing:

(a) the total Net Sales (if any) of Nucana and all its Affiliates during such Royalty Period;

(b) the total royalties payable pursuant to the provisions of clause 9.2 above in respect of such Net Sales;

(c) the total Other Income (if any) received by Nucana and all its Affiliates during such Royalty Period from the exploitation of the Results and/or Foreground Intellectual Property; and

(d) the total royalties payable pursuant to the provisions of Clause 9.3 above in respect of such Other Income

together with payment of the total amount of royalties (if any) shown on such statement.

9.6 All sums payable under this Agreement are exclusive of value added tax which shall, if applicable, be payable in addition at the rate in force from time to time.

9.7 Nucana shall and shall procure that each of its Affiliates shall keep true and accurate records and books of account of:

(a) all sales by Nucana or (as the case may be) the relevant Affiliate of Products; and

(b) all proceeds received by Nucana or (as the case may be) the relevant Affiliate from;

(i) Licensees in connection with a licence or sub-licence of the Results or Foreground Intellectual Property, including but not limited to signing or upfront fees, annual licence maintenance fees, royalties on sales and annual minimum royalty payments; and/or

(ii) Assignees in connection with assignation of the Results and/or Foreground Intellectual Property

(the "Records"), and Nucana shall and shall procure that each of its Affiliates shall, upon request by UC3 and during normal business hours, permit a chartered accountant appointed by UC3 to inspect such Records for the purpose of enabling UC3 to verify the accuracy of the statements provided pursuant to Clause 9.5. UC3 shall procure that such accountant enters into a confidentiality agreement with Nucana in terms of which he/ she agrees to keep confidential all information obtained from such inspection and to disclose such information solely to UC3. All fees, expenses and other payments payable to such chartered accountant in connection with any such inspection shall be borne by UC3 unless such inspection reveals an underpayment of royalties in respect of any Royalty Period of at least [***] percent ([***]%) in which case such costs shall be borne by Nucana and, if such costs have already been incurred by UC3, Nucana shall (subject to UC3 providing receipts or other proof that such costs have been incurred) reimburse such costs to UC3 immediately upon demand.

10 Force majeure

If the performance by any Party of any of its obligations under this Agreement (other than an obligation to make payment) shall be prevented by circumstances beyond its reasonable control, then the that Party shall (provided it has notified the other Parties of the relevant circumstances) be excused from performance of that obligation for the duration of the relevant event.

11 Term and Termination

11.1 This Agreement shall be deemed to have commenced on the Effective Date and shall continue in full force and effect until expiry of the Project Period unless terminated earlier pursuant to the provisions of Clause 11.2.

11.2 This Agreement may be terminated by any Party for any material breach of the obligations set out in this Agreement by any of the other Parties, by giving [***] written notice to the other Parties of its intention to terminate. The notice shall include a detailed statement describing the nature of the breach. If the breach is capable of being remedied and is remedied within the [***] notice period, then the termination shall not take effect.

If the breach is not remedied within the [***] notice period, then the termination shall take effect at the end of the [***] notice period. Failure to make the payments set out in Clauses 2.1, 5.2, 8.6 or 9 within [***] following the due date for such payment shall constitute a material breach for the purposes of this Clause 11.2.

11.3 Upon expiry or termination of this Agreement all rights and obligations of the Parties shall, subject to the provisions of Clause 11.4, immediately cease without prejudice to any rights of action then accrued hereunder or at law.

11.4 Unless stated otherwise in this Agreement:

11.4.1 the following provisions shall survive expiry (but not termination of this Agreement pursuant to Clause 11.2): Clauses 2.1, 2.2, 2.4, 3.2, 4, 5, 6, 7, 8, 9, 10, 11.3, 12, 13, 14, 15, 16, 17 and this Clause 11.4;

11.4.2 the following provisions shall survive termination of this Agreement pursuant to Clause 11.2: Clauses 2.1 and 2.2 (but only in relation to any outstanding payments due as at the date of termination),2.4, 3.2, 4, 5.2 (but only in relation to any outstanding payments due as at the date of termination), 6, 7, 8.3, 9, 10, 12, 13, 14, 15, 16, 17 and this Clause 11.4.

12 Publicity

No Party shall use the name of either of the others in any press release or product advertising, or for any other commercial purpose, without that other Party's prior written consent; provided, however, that publication of the sums received from Nucana in the University's annual report and similar publications shall not be regarded as a breach of this Clause 12.

13 Assignment

No Party shall assign any of its rights and obligations under this Agreement without the prior written consent of each of the other Parties.

14 Notices

14.3 The University's representative for the purpose of receiving payments shall until further notice be:

[***]

14.4 The University's representative for the purpose of receiving reports shall until further notice be:

[***]

14.5 The University's representative for the purpose of receiving all other notices shall until further notice be:

[***]

14.6 UC3's representative for the purpose of receiving all notices shall until further notice be:

[***]

14.7 Nucana's representative for the purpose of receiving invoices, reports and other notices shall until further notice be:

Hugh S Griffith, Chief Executive Officer, Nucana Biomed Limited, 10 Lochside Place, Edinburgh Park, Edinburgh, EH12 9RG.

15 General

15.1 Nothing in this Agreement shall create, imply or evidence any partnership or joint venture between the Parties or the relationship between any of them of either principal and agent or employer and employee.

15.2 This Agreement, and its Schedules (which are incorporated into and made a part of this Agreement), together constitute the entire agreement between the Parties for the Project. Any variation shall be in writing and signed by all Parties or by their authorised signatories.

15.3 This Agreement shall be governed by English and Welsh law. The English and Welsh courts shall have exclusive jurisdiction to deal with any dispute which has arisen or may arise out of or in connection with this Agreement.

15.4 Headings are for convenience only and shall not affect the construction or interpretation of this Agreement; and references to Clauses are to clauses of this Agreement.

16 Third parties

The Parties do not intend that the terms of this Agreement create any right enforceable by any person who is not a party to it ('Third Party') under the Contracts (Rights of Third Parties) Act 1999 (the "Act").

17 Definitions

In this Agreement the following words shall have the following meanings unless the context otherwise requires:

"Affiliate"	means any corporation or non-corporate entity that controls, is controlled by, or is under common control with a party to this agreement. A corporation or non-corporate entity is to be regarded as in control of a corporation if it owns, or directly or indirectly controls, at least fifty percent (50%) of the voting stock of the other corporation, or (i) in the absence of the ownership of at least fifty percent (50%) of the voting stock of a corporation or (ii) in the case of a non-corporate business entity, or non-profit corporation, if it possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such corporation or non-corporate entity, as applicable;
"Assignee"	means any person or entity obtaining an assignment of the Foreground Intellectual Property or part thereof from NuCana or from any Affiliate of Nucana other than an Affiliate of Nucana;
"Assignment Deed"	means the Deed between UC3 and [***] (thereafter acquired by [***]) dated [***];
"Background IP"	means any Intellectual Property owned or controlled by any Party at the date of this Agreement together with any and all rights therein or which shall at any time thereafter become so owned or controlled and in the case of the University includes the Protides IP;

“Confidential Information”	shall have the meaning set out in Clause 6.1;
“Compounds”	means the compounds comprised within each Nucleoside Family which the University has been requested to conduct work on by Nucana as part of the Project;
“Disclosing Party”	means a Party to this Agreement that discloses Confidential Information to one or both of the other Parties;
“Effective Date”	means 21 August 2009;
“Evaluation Testing”	means testing such as [***];
“Exclusivity Payments”	means the payments detailed in Clause 5.2 and Clause 8.6 above;
“Extended Licence Period”	means the period referred to in Clause 8.5 above;
“Foreground Intellectual Property”	means any Intellectual Property arising from the Project;
“Further Extended Licence Period”	means the period referred to in Clause 8.6 above;
“Information”	means specifications, drawings, circuit diagrams, tapes, discs and other computer-readable media, documents, information, techniques and know-how;
“Initial Project Period”	means the period of [***] commencing on the Effective Date;
“Intellectual Property”	means all and any rights in or to [***]; and all similar or equivalent rights arising or subsisting in any part of the world;

"Insolvency"	(i) a petition is presented, a resolution is passed or an order is made for the winding up or dissolution of a party; (ii) an application, petition or order is made for any of the following to be appointed over a party or any of its assets, or such an appointment is made: receiver, administrative receiver, receiver and manager, administrator or sequestrator; (iii) a party enters into, or there is proposed, a compromise or arrangement or voluntary arrangement, or a scheme or composition in satisfaction or composition of its debts with all or any of the creditors or members of a party or steps are taken to obtain a moratorium; (iv) any creditor takes possession of, or levies distress, enforcement or some other process upon, all or any of a party's assets or undertaking; (v) a party is deemed unable to pay its debts, or is unable, or admits its inability, to pay its debts as they fall due; or (vi) a party ceases to carry on the whole or a substantial part of its business; and the term "Insolvent" shall be construed accordingly;
"Licensee"	means any person or entity (other than an Affiliate of Nucana) entering into a license with Nucana or a sublicense with an Affiliate of Nucana of the Results or Foreground Intellectual Property or part thereof;

“Net Sales”	means the gross proceeds received by Nucana or its Affiliates from the sale of Products by NuCana or its Affiliates after deduction of costs relating to [***];
“Nucleoside Families”	means those nucleoside families as set out in Schedule 1 and Nucleoside Family shall be construed accordingly;
“Other Income”	means the gross proceeds received by Nucana or its Affiliates:(i) from Licensees in connection with a licence or sub-licence of the Results or Foreground Intellectual Property, including but not limited to [***]; and/or (ii) from Assignees in connection with assignation of the Results or Foreground Intellectual Property;
“[***]”	means a [***] engaged by the University on the Project pursuant to Clause 1.3.2 above;

“Product”	means any pharmaceutical products developed, manufactured, marketed, distributed and/or sold by Nucana or its Affiliates which incorporate a compound which is comprised within the Results;
“Project”	shall have the meaning set out in Schedule 1;
“Project Period”	the Initial Project Period and any extension or extensions thereto agreed by the Parties pursuant to Clause 1.4;
“Project Fee”	means the fees set out at Clause 2.1 above;
“ProTides Agreement”	means the licence and collaboration agreement to be entered into between Nucana and [***];
“Protides IP”	means the Intellectual Property owned or controlled by the University at the date of this Agreement relating to [***] nucleoside phosphoramidate prodrugs and any and all rights therein or which shall any time thereafter become so owned or controlled;
“Principal Investigator”	means [***] or such successor as may be appointed;
“Receiving Party”	means a Party to this Agreement that receives Confidential Information from one or both of the other Parties;
“Results”	means the results generated by the Principal Investigator, [***],[***] and/or any other persons engaged on the Project arising from the research conducted by the Principal Investigator, the [***] and/or any other persons in performing the Project;

"Research Agreement"	means the terms of agreement between the University and [***] for the conduct of research by the University relating to the discovery and development of new anti cancer nucleosides and nucleotides; and
"[***]"	means the [***] employed by the University on the Project pursuant to Clause 1.3.1.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

AGREED by the Parties through their authorised signatories:

For and on behalf of
CARDIFF UNIVERSITY

/s/ [***]
signed

[***]
print name
Deputy Director and Head of Research Policy and Management

Research and Commercial Division Cardiff University
title

date

For and on behalf of
NUCANA BIOMED LIMITED

/s/ Hugh S Griffith
Signed

Hugh S Griffith

Chief Executive Officer

21 August 2009

For and on behalf of
UNIVERSITY COLLEGE
CARDIFF CONSULTANTS LTD

signed /s/ [***]
print name [***]
title Director
date

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE ONE

[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE TWO

[***]

The University or UC3 as applicable will charge VAT in addition where appropriate.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 1

Amendment to Main Agreement ("Amendment"), effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LTD** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU (hereinafter referred to as "**Nucana**"),

together the "Parties" and each a "Party".

RECITAL:

The parties entered into a contract dated 21 August 2009 for a research project (the "Main Agreement"). The parties wish to amend the Main Agreement as set forth in this amendment.

IT IS AGREED AS FOLLOWS:

1. Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set fourth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment.

2. Amendments to the Main Agreement

2.1 In consideration of the payment of [***] (£[***]) by Nucana to each other parties (receipt of which is hereby acknowledged by the University and UC3) the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.2 The definition of Net Sales shall be deleted in its entirety and the following substituted in place thereof:

"Net Sales"	means the gross proceeds received by Nucana or its Affiliates from the sale of Products by Nucana or its Affiliates after deduction of costs relating to [***];"

2. Limitation Period

The parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed on behalf of
Cardiff University /s/ [***] Date 30th September, 2010

Signed on behalf of
University College Cardiff University
Consultants Ltd /s/ [***] Date 29th September 2010

Signed on behalf of
Nucana Biomed Ltd /s/ H. Griffith Date: 28th September 2010

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 2

Amendment No. 2 effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LTD** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("UC3"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU (hereinafter referred to as "Nucana"),

together the "Parties" and each a "Party".

RECITAL:

The parties entered into a contract dated 21 August 2009 for a research project as amended on 30 September 2010 (the "Main Agreement"). The parties wish to amend the Main Agreement as set forth in this amendment.

The parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1. Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth in this amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this amendment unless otherwise provided in this Amendment.

2. Amendments to the Main Agreement

2.1 Pursuant to clause 1.4 of the main agreement the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.2 Clause 1.3 shall be amended by the addition of a new clause 1.3.3

"1.3.3 [***] engaged [***] for an additional term of [***] from [***]."

2.3 Clause 2.1 shall be amended by the addition of a new clause 2.1.4:

"2.1.4 £[***] on each of the following dates: [***]"

2.4 Clause 5.2 shall be deleted and replaced by the following:

"5.2 Nucana will pay the following sums to UC3:

£[***],

£[***],

£[***], and

£[***].

UC3 will charge VAT in addition where appropriate."

2.5 Clause 8.6 shall be deleted in its entirety and replaced with the following:

8.6 Upon request by Nucana to the University and UC3 prior to expiry of the Extended Licence Period, the licence referred to in Clause 8.5 above shall be deemed to have been extended for one further [***] period (the "Further Extended Licence Period") if Nucana so requests in respect of those Compounds upon which Evaluation Testing is ongoing at such date for the purposes of finalising Evaluation Testing on such Compounds, subject to;

8.6.1 the sum of £[***] ([***]) becoming due and payable by Nucana to the UC3 on the first day of the Further Extended Licence Period; and

8.6.2 Nucana notifying the University and UC3 at the time of such request of the Compounds upon which Evaluation Testing is ongoing at such date.

UC3 will charge VAT in addition where appropriate.

3. Limitation Period

The parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed on behalf of
Cardiff University /s/ [***] Date 25th July, 2011

Signed on behalf of
University College Cardiff University
Consultants Ltd /s/ [***] Date 22nd July 2011

Signed on behalf of
Nucana Biomed Ltd /s/ Christopher Wood Date: 19th July 2011

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 3

Amendment No. 3, effective as of the last signature date below, is made: BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LTD** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU ("**Nucana**"),

together the "Parties" and each a "Party".

RECITAL:

The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by Amendment No. 1 between the Parties with an effective date of 30 September 2010 and Amendment No. 2 between the Parties with an effective date of 25 July 2011 (the "Main Agreement"). The Parties wish to amend the Main Agreement as set forth in this Amendment.

The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1. Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment.

2. Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by Nucana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

The definition of "Other Income" in Clause 17 shall be deleted in its entirety and the following substituted in place thereof:

"Other Income"	means the gross proceeds received by Nucana or its Affiliates:(i) from Licensees in connection

with a licence or sub-licence of the Results or Foreground Intellectual Property, including but not limited to, (a) [***], (b) [***], and (c) [***];

and/or

(ii) from Assignees in connection with assignation of the Results or Foreground Intellectual Property, other than any assignation of the Results or Foreground Intellectual Property as part of the sale of all or substantially all of the business and assets of Nucana to a third party and as part of which sale Nucana's rights and obligations under this Agreement are also being transferred to the relevant third party;".

3. Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and has at all times continued in full force and effect since that date.

4. Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed on behalf of
Cardiff University /s/ [***] Date 26th October, 2011

Signed on behalf of
University College Cardiff University
Consultants Ltd /s/ [***] Date 26th October, 2011

Signed on behalf of
Nucana Biomed Ltd /s/ H. Griffith Date: 26th October, 2011

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 4

Amendment No. 4, effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LTD** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU ("**Nucana**"),

together the "Parties" and each a "Party".

RECITAL:

The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by Amendment No. 1 between the Parties with an effective date of 30 September 2010, Amendment No. 2 between the Parties with an effective date of 25 July 2011, and Amendment No.3 between the Parties with an effective date of 26 October 2011 (the "Main Agreement"). The Parties wish to amend the Main Agreement as set forth in this Amendment.

The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1. Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment.

2. Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by Nucana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.1 Clause 1.3 shall be amended by the addition of new clauses 1.3.4 and 1.3.5

"1.3.4 [***] engaged [***] for an additional term of [***] from [***]; and

1.3.5 [***] engaged [***] for an additional term of [***] from [***]."

2.3 Clause 2.1 shall be amended by the addition of a new clause 2.1.5:

"2.1.5 £[***] on each of the following dates: [***]."

2.4 Clause 5.2 shall be deleted and replaced by the following:

"5.2 Nucana will pay the following sums to UC3:

£[***],

£[***],

£[***],

£[***],

£[***]

£[***].

UC3 will charge VAT in addition where appropriate."

3. Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and has at all times continued in full force and effect since that date.

4. Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their authorized officers representatives on the date indicated below.

Signed on behalf of
Cardiff University /s/ [***] Date 3rd July, 2012

Signed on behalf of
University College Cardiff University
Consultants Ltd /s/ [***] Date 3rd July, 2012

Signed on behalf of
Nucana Biomed Ltd /s/ H. Griffith Date: 13th June, 2012

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 5

Amendment No. 5, effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU ("**Nucana**"),

together the "**Parties**" and each a "**Party**".

RECITALS

(A) The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by:

(i) Amendment No. 1 between the Parties with an effective date of 30 September 2010;

(ii) Amendment No. 2 between the Parties with an effective date of 25 July 2011;

(iii) Amendment No. 3 between the Parties with an effective date of 26 October 2011; and

(iv) Amendment No. 4 between the Parties with an effective date of 3 July 2012,

(the "**Main Agreement**"). The Parties wish to amend the Main Agreement as set forth in this Amendment.

(B) Pursuant to this Amendment, the "Project Period" as defined in clause 17 shall be deemed to have been extended to 31 December 2014.

(C) The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1 Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment.

2 Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by Nucana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.1 Clause 1.3 shall be amended by the addition of new clauses 1.3.6 and 1.3.7:-

"1.3.6 [***] engaged [***] for an additional term of [***] from [***]; and

1.3.7 [***] engaged [***] for an additional term of [***] from [***]."

2.2 Clause 2.1 shall be amended by the addition of a new clause 2.1.6:

"2.1.6 an additional £[***] on each of the following dates:

[***]."

2.3 Clause 5.2 shall be deleted and replaced by the following:

"5.2 Nucana will pay the following sums to UC3:

£[***];

£[***];

£[***];

£[***];

£[***];

£[***];

£[***];

£[***]; and

£[***].

UC3 will charge VAT in addition where appropriate."

3 Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and has at all times continued in full force and effect since that date.

4 Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

I**N WITNESS WHEREOF**, the Parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed for and on behalf of
CARIDIFF UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 3 December, 2013

Signed for and on behalf of
UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 9 December, 2013

Signed for and on behalf of
NUCANA BIOMED LIMITED

Signature: /s/ H. Griffith
Name: Hugh S. Griffith
Title: C.E.O.
Date: 28 November, 2013

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 6

Amendment No. 6, effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Bassett House, 5 Southwell Park Road, Camberley, Surrey, GU15 3PU ("**Nucana**"),

together the "**Parties**" and each a "**Part**"

RECITALS

(A) The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by:

(i) Amendment No. 1 between the Parties with an effective date of 30 September 2010;

(ii) Amendment No. 2 between the Parties with an effective date of 25 July 2011;

(iii) Amendment No. 3 between the Parties with an effective date of 26 October 2011;

(iv) Amendment No. 4 between the Parties with an effective date of 3 July 2012; and

(v) Amendment No. 5 between the Parties with an effective date of 9 December 2013,

(the "**Main Agreement**"). The Parties wish to amend the Main Agreement as set forth in this Amendment.

(B) Pursuant to this Amendment, the "Project Period" as defined in clause 17 shall be deemed to have been extended to 31 December 2015.

(C) The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1 Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment.

2 Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by Nucana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.1 Clause 1.3 shall be amended by the addition of new clauses 1.3.8 and 1.3.9 :-

"1.3.8 [***] engaged [***] for an additional term of [***] from [***] to [***]; and

1.3.9 [***] engaged [***] for an additional term of [***] from [***] to [***]."

2.2 Clause 2.1 shall be amended by the addition of a new clause 2.1.7:

"2.1.7 an additional £[***] payable in instalments as follows:

(a) £[***];

(b) £[***];

(c) £[***]; and

(d) £[***]."

2.3 Clause 5.2 shall be deleted and replaced by the following:

"5.2 Nucana will pay the following sums to UC3:

£[***];

£[***];

£[***];

£[***];

£[***];

£[***];

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

£[***];

£[***];

£[***]

£[***]; and

£[***].

UC3 will charge VAT in addition where appropriate."

3 Amendments to Schedule 1 to the Main Agreement

The Parties hereby agree that with effect from 1 April 2012 Schedule One to the Main Agreement shall be replaced by the Schedule One attached to this Amendment.

4 Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and has at all times continued in full force and effect since that date.

5 Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed for and on behalf of
CARDIFF UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 6 October, 2014

Signed for and on behalf of
UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 6 October, 2014

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Signed for and on behalf of
NUCANA BIOMED LIMITED

Signature: /s/ H. Griffith
Name: Hugh S. Griffith
Title: C.E.O.
Date: 8 October, 2014

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE ONE

[***]

[***]

[***]

[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 7

Amendment No. 7, effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED** a company Incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Northwest Wing, Bush House, Aldwych, London WG2B 4EZ("**Nucana**"),

together the "Parties" and each a "Party".

RECITALS

(A) The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by:

(i) Amendment No. 1 between the Parties with an effective date of 30 September 2010;

(ii) Amendment No. 2 between the Parties with an effective date of 25 July 2011;

(iii) Amendment No.3 between the Parties with an effective date of 26 October 2011;

(iv) Amendment No.4 between the Parties with an effective date of 3 July 2012;

(v) Amendment No.5 between the Parties with an effective date of 9 December 2013; and

(vi) Amendment No 6 between the Parties with an effective date of 8 October 2014,

(the "Main Agreement"). The Parties wish to amend the Main Agreement as set forth in this Amendment.

(B) Pursuant to this Amendment, the 'Project Period" as defined in clause 17 shall be deemed to have been extended to 31 December 2015.

(C) The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1 Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning In this Amendment unless otherwise provided In this Amendment.

2 Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by NuCana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.1 Clause 1.3 shall be amended by the addition of a new clause 1.3.10:-

"1.3.10 [***] engaged [***] for an additional term of [***] from [***] to [***];

2.2 Clause 2.1 shall be amended by the addition of a new clause 2.1.8:

"2.1.8 an additional £[***] payable in instalments as follows:

(a) £[***]; and

(b) £[***]"

3 Amendments to Schedule t to the Main Agreement

The Parties hereby agree that with effect from 1 April 2012 Schedule One to the Main Agreement shelf be replaced by the Schedule One attached to this Amendment.

4 Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and lies at all times continued in full force and effect since that date.

5 Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed for and on behalf of
CARDIFF UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 17 March, 2015

Signed for and on behalf of
UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 16 March, 2015

Signed for and on behalf of
NUCANA BIOMED LIMITED

Signature: /s/ H. Griffith
Name: Hugh Griffith
Title: C.E.O.
Date: 13 March, 2015

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE ONE

[***]

[***]

[***]

[***]

[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 8

Amendment No. 8, effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY** whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "**University**");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office Is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at 78 Cannon Street, London EC4N 6AF ("**Nucana**"),

together the "**Parties**" and each a "**Party**".

RECITALS

(A) The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by:

(i) Amendment No. 1 between the Parties with an effective date of 30 September 2010;

(ii) Amendment No. 2 between the Parties with an effective date of 25 July 2011;

(iii) Amendment No. 3 between the Parties with an effective date of 26 October 2011;

(iv) Amendment No. 4 between the Parties with an effective date of 3 July 2012;

(v) Amendment No. 5 between the Parties with an effective date of 9 December 2013;

(vi) Amendment No. 6 between the Parties with an effective date of 8 October 2014; and

(vii) Amendment No. 7 between the Parties with an effective date of 17 March 2015.

(the "Main Agreement"), The Parties wish to amend the Main Agreement as set forth In this Amendment.

(B) Pursuant to this Amendment, the 'Project Period" as defined in clause 17 shall be deemed to have been extended to 31 December 2016.

(C) The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in ‘,mating,

IT IS AGREED AS FOLLOWS:

1 Status and Purpose of this Amendment

This Amendment Is supplemental to the Main Agreement. Except as expressly set forth in this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment.

2 Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by NuCana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.1 Clause 1.3 shalt be amended by the addition of a new clause 1.3,11:-

“1.3.11 [***] and [***] engaged [***] for an additional term of [***] from [***] to [***]”

2.2 Clause 2.1 shall be amended by the addition of a new clause 2.1.9:

“2.1.9 an additional £[***] payable in instalments as follows:

(a) £[***]; and

(b) £[***]”

2.3 Clause 5.2 shall be amended by the addition of the following:

“£[***]”

3 Amendments to Schedule 1 to the Main Agreement

The Parties hereby agree that with effect from 1 April 2015 Schedule One to the Main Agreement shall be replaced by the Schedule One attached to this Amendment.

4 Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and has at all times continued in full force and effect since that date.

5 Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed for and on behalf of
CARDIFF UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 5 October, 2015

Signed for and on behalf of
UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 5 October, 2015

Signed for and on behalf of
NUCANA BIOMED LIMITED

Signature: /s/ H. Griffith
Name: Hugh S. Griffith
Title: C.E.O.
Date: 2 October, 2015

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE ONE

[***]

[***]

[***]

[***]

[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Amendment No. 9

Amendment No. 9, effective as of the last signature date below, is made:

BETWEEN:

(1) **CARDIFF UNIVERSITY**, whose administrative offices are at 30-36 Newport Road, Cardiff, CF24 ODE, U.K. established under royal charter, registered charity number 1136855 (the "University");

(2) **UNIVERSITY COLLEGE CARDIFF CONSULTANTS LIMITED** a company incorporated under the laws of England and Wales (company number 1477909) whose registered office is at 30-36 Newport Road, Cardiff, United Kingdom, CF24 ODE ("**UC3**"); and

(3) **NUCANA BIOMED LIMITED** a company incorporated under the laws of England and Wales (company number 3308778) whose registered office is at Northwest Wing, Bush House, Aldwych, London WC2B 4EZ("**Nucana**"),

together the 'Parties" and each a "Party".

RECITALS

(A) The Parties entered into a Research, Collaboration and Licence Agreement dated 21 August 2009 for a research project, as amended and supplemented by:

(i) Amendment No.1 between the Parties with an effective date of 30 September 2010;

(ii) Amendment No.2 between the Parties with an effective date of 25 July 2011;

(iii) Amendment No.3 between the Parties with an effective date of 26 October 2011;

(iv) Amendment No.4 between the Parties with an effective date of 3 July 2012;

(v) Amendment No.5 between the Parties with an effective date of 9 December 2013;

(vi) Amendment No.6 between the Parties with an effective date of 8 October 2014;

(vii) Amendment No.7 between the Parties with an effective date of 17 March 2015; and

(vii) Amendment No.8 between the Parties with an effective date of 5 October 2015.

(the "**Main Agreement**"). The Parties wish to amend the Main Agreement as set forth In this Amendment.

(B) Pursuant to this Amendment, the "Project Period" as defined in clause 17 shall be deemed to have been extended to 31 December 2017.

(C) The Parties may agree to further extend or amend the Main Agreement and any such extensions or amendments shall be in writing.

IT IS AGREED AS FOLLOWS:

1 Status and Purpose of this Amendment

This Amendment is supplemental to the Main Agreement. Except as expressly set forth In this Amendment, the Main Agreement shall remain in full force and effect. Certain terms defined in the Main Agreement shall have the same meaning in this Amendment unless otherwise provided in this Amendment

2 Amendments to the Main Agreement

In consideration of the payment of [***] (£[***]) by NuCana to each of the other Parties (receipt of which is hereby acknowledged by the University and UC3), the Parties agree that with effect from the date of this Amendment, the terms of the Main Agreement shall be amended as follows:

2.1 Clause 1.3 shall be amended by the replacement of clause 1.3.11 with the following:-

"1.3.11 [***] and [***] engaged [***] for an additional term of [***] from [***] to [***] and [***] engaged [***] for [***] from [***]"

2.2 1.3 shall be further amended by the addition of a new clause 1.3.12:-

"1.3.12 [***] engaged [***] for an additional term of [***] from [***] to [***]"

2.3 Clause 2.1 shall be amended by the addition of a new clause 2.1.10:

"2.1.10 an additional £[***] payable in instalments as follows:

(a) £[***]; and

(b) £[***]"

2.4 Clause 5.2 shall be amended by the addition of the following:

"£[***]"

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

3 Confirmation

Each Party hereby affirms to the other Parties for confirmatory purposes that the Main Agreement, and the Project Period (as defined therein), commenced on 21 August 2009, and has at all times continued in full force and effect since that date.

4 Limitation Period

The Parties acknowledge and agree that the provisions of this Amendment are not intended to and shall not affect the relevant limitation periods (as set out in the Limitation Act 1980) applicable to the Main Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their authorized officers or representatives on the date indicated below.

Signed for and on behalf of
CARDIFF UNIVERSITY

Signature: /s/ [***]
Name: [***]
Title: Acting Director
Date: 22 November, 2016

Signed for and on behalf of
UNVIERSITY COLLEGE CARDIFF CONSULTANTS LIMITED

Signature: /s/ [***]
Name: [***]
Title: Director
Date: 18 November, 2016

Signed for and on behalf of
NUCANA BIOMED LIMITED

Signature: /s/ H. Griffith
Name: Hugh S. Griffith
Title: C.E.O.
Date: 9 November, 2016

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.5

DATED **15th March 2012**

(1) NUCANA BIOMED LIMITED

- and -

(2) CARDIFF PROTIDES LIMITED

VARIATION AGREEMENT

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

THIS AGREEMENT is made the 15th day of March 2012

BETWEEN:

(1) **NUCANA BIOMED LIMITED,** a company incorporated under the Companies Acts (registered number 03308778) and having its registered office at Bassett House, 5 Southwellpark Road, Camberley, Surrey GU15 3PU ("**BioMed**");

(2) **CARDIFF PROTIDES LIMITED**, a company incorporated under the Companies Acts (registered number 05455482) and having its registered office at Ty Myddfai, National Botanic Gardens of Wales, Llanarthney, Carmarthen, Dyfed SA32 8HZ ("**ProTides**").

RECITALS:

(1) Pursuant to the Nucana Agreement (defined below), ProTides granted an exclusive licence to BioMed under certain patents and technical information and the parties agreed to collaborate to develop the licensed technology.

(2) The parties wish to make certain amendments to the Nucana Agreement subject to and in accordance with the terms set out in this Agreement.

IT IS AGREED as follows:

1. Definitions

In this Agreement, the following words shall have the following meanings:

"Assignment Agreement"	means the assignment agreement in the form set out in the Schedule to this Agreement;
"Nucana Agreement"	means the Licence and Collaboration Agreement dated 13 October 2009 between BioMed and ProTides;
"Variation Date"	means the date of this Agreement.

2. Status of this Agreement

2.1 This Agreement is supplemental to the Nucana Agreement. Except as expressly amended by this Agreement, the Nucana Agreement shall remain in full force and effect.

2.2 Unless otherwise specified in this Agreement, defined terms used in this Agreement shall have the same meaning as set out in the Nucana Agreement.

2.3 The amendments set out in this Agreement shall, unless stated otherwise, take effect from the Variation Date.

3. Amendments

Title

3.1 The title of the Nucana Agreement shall be amended to be the Assignment, Licence and Collaboration Agreement.

Recitals

3.2 A new recital E shall be added to the Assignment, Licence and Collaboration Agreement which shall read:-

"With effect from the Variation Date, the parties have agreed that the patents which were previously licensed to BioMed will be assigned by ProTides to BioMed. The parties agreed that this assignment will not otherwise affect the parties' respective rights under this Agreement and that ProTides will retain reversion rights in relation to such patents on termination of this Agreement."

Definitions

3.3 Clause 1.1 of the Nucana Agreement shall be amended as follows:-

3.3.1 the following new definition shall be inserted into clause 1.1:-

"Affiliate" means in relation to a party, any body corporate or other legal entity which:-

(i) is directly or indirectly owned and/or controlled by that party;

(ii) directly or indirectly owns and/or controls that party; or

(iii) is directly or indirectly owned and/or controlled by the legal entity referred to in (ii) above.

In the case of legal entities having stocks and/or shares, ownership or control shall exist through the direct or indirect ownership and/or control of more than fifty percent of the voting shares. In the case of any other legal entity, ownership and/or control shall exist through the ability to directly or indirectly control the management and/or business of the legal entity;

"Agreement IP" means the Licensed IP and the Assigned IP;

"Assignment Agreement" means the assignment agreement entered into by the parties pursuant to Clause 3.3 of this Agreement;"

"Assigned IP" means the patents and patent applications assigned to BioMed pursuant to the Assignment Agreement, being the Compound Patents;"

3.3.2 the definition of Commencement Date shall be amended by the replacement of the words "the last date of execution of this Agreement" with the words "13 October 2009";

3.3.3 the first letter of the word "commencement" where it appears in the last line of the definition of "Compounds" shall be capitalised;

3.3.4 the definition of Licensed IP shall be amended by the addition of the word "any" before "Compounds", the addition of the words "which are not covered by any claim of an issued and unexpired patent or any subsisting patent application comprised within the Assigned IP" after the word "Compound" and the deletion of the words, ",the Compound Patents,";

3.3.5 the definitions of "ProTides Development Costs", and "Option Notice", "Option Period" and "Option Series" shall be deleted;

3.3.6 the definition of Sub-Licensee shall be amended by:-

3.3.6.1 insertion of a new part (ii) which shall read, "any person or entity to whom BioMed grants a licence of its rights in the Assigned IP or any Compounds; and/or";

3.3.6.2 renumbering part (ii) as part (iii) and in that part replacing the words "Licensed IP" with the words "Agreement IP" and after the words, "part(i)", inserting the following words, "and/or part (ii);

3.3.6.3 the reference to "the Licensed IP" in the second from last line of the definition of "Sub-Licensee" shall be replaced by the words "any of the Agreement IP".;

3.3.7 the definition of Sub-Licence Agreement shall be amended by replacing the words "the Licensed IP" with the words "any of the Agreement IP"; and

3.3.8 the word "and" shall be deleted after the end of the definition of "University", the full stop at the end of the definition of "Valid Claim" shall be replaced by a semi-colon followed by "and" and a new definition of "Variation Date" which shall read as follows:

"15th March 2012"

shall be inserted after the definition of Valid Claim.

Clause 2

3.4 Clause 2.2 of the Nucana Agreement shall be amended by inserting the following sentence at the end of the clause, "For the avoidance of doubt, the licence will not expire in a country if a Valid Claim exists in that country even though, following execution of the Assignment Agreement, the Valid Claim forms part of the Assigned IP and not part of the Licensed IP".

Clause 3

3.5 Clause 3 of the Nucana Agreement shall be amended by:-

3.5.1 inserting the words "AND ASSIGNMENT" in the title of the clause;

3.5.2 inserting the words "Compounds, the Assigned IP, the" before the words "Licensed IP" in clause 3,2; and

3.5.3 inserting a new clause 3.3 which shall read:-

"On or immediately after the Variation Date, ProTides shall enter into an assignment in the form set out in Part 4 of the Schedule to this Agreement pursuant to which ProTides will assign to BioMed all of ProTides' right, title and interest in the Compound Patents to BioMed."

Clause 5

3.6 Clause 5 of the Nucana Agreement shall be amended by:-

3.6.1 Amending the title to read, "LICENSING AND SUB-LICENSING";

3.6.2 in clause 5.1, inserting the words "(which includes Affiliates of BioMed) licences and/or" before the word "sub-licences" and inserting the words "the Agreement IP and/ or" before the words "its rights";

3.6.3 in clauses 5.2 to 5.6, inserting the words "(which includes Affiliates of BioMed) licence and/or" before the word "sub-licence" wherever it occurs in those clauses, and replacing the words "Licensed IP" wherever the occur in those clauses with the words, "Agreement IP"; and

3.6.4 the references to "affiliates" in clauses 5.3.3, 5.3.7 and 5.3.8 shall be changed to "Affiliates".

Clause 6

3.7 Clause 6 of the Nucana Agreement shall amended as follows:

3.7.1 by the deletion of the words “and as a forum for determining the issues referred to in Clauses 9.8 and 9.9” where they appear in clause 6.1;

3.7.2 by the deletion of the words “and periodically thereafter as necessary to fulfill its functions pursuant to Clauses 9.8 and 9.9” where they appear in clause 6.4;

3.7.3 by replacing the semi-colon at the end of sub-clause 6.5.4 with a full stop;

3.7.4 by the deletion of sub-clauses 6.5.5 and 6.5.6; and

3.7.5 by the deletion of the words “and other than decisions pursuant to Clauses 9.8 and 9.9, which can only be made by consensus” and “or the matters specified in Clauses 9.8 and 9.9 which must be agreed by consensus” where they appear in clause 6.8; and

3.7.6 by the deletion of the words “and thereafter as necessary to fulfil the functions referred to in Clauses 9.2, 9.8 and 9.9” where they appear in clause 6.9.

Clause 9

3.8 Clause 9 of the Nucana Agreement shall be deleted in its entirety and the following words inserted, “Deleted”.

Clause 10

3.9 Clause 10 of the Nucana Agreement shall be amended with effect from the Variation Date as follows:-

3.9.1 in clause 10.2, by inserting the words, “execution of the Assignment Agreement and”, before the words, “the licence rights granted”, and by deletion of the words, “(subject to ProTides having fulfilled its obligations under Clause 12.2.3 as at the date of payment)”; and

3.9.2 in clause 10.5 by inserting the words, “execution of the Assignment Agreement and”, before the words, “the licence rights granted”.

Clause 12

3.10 Clause 12 of the Nucana Agreement shall be amended with effect from the Commencement Date as follows:-

3.10.1 by adding the words “BioMed will on ProTides’ request use its reasonable endeavours to assist ProTides to undertake the actions specified in paragraphs (a) and (b) above, however the responsibility for fulfilling the obligations remains solely with ProTides.” at the end of clause 12.2.3;

3.10.2 in the first sentence of clause 12.4, the word “its” shall be replaced by “BioMed’s”;

3.10.3 in clauses 12.7, 12.8 and/or 12.12 all references to “Licensed IP” shall be replaced with the words, “Agreement IP”.

Clause 13

3.11 Clause 13 of the Nucana Agreement shall be amended by replacing in clauses 13.2.2, 13.2.3, 13.2.8 and 13.7.1 the words “Licensed IP” with the words “Agreement IP”.

Clause 16

3.12 Clause 16 of the Nucana Agreement shall be amended as follows:-

3.12.1 in clause 16.1 by amending the words “Clause 15.2” to read “Clause 15.2.1” and by insertion of the words “but only” before the words “as a result of” in the first sentence and by deleting “9 (in relation to its obligations with respect to using or licensing the Licensed IP (including licensing to BioMed if BioMed exercises any option under Clause 9.15) only)”; and

3.12.2 in clause 16.1.2 by replacing the words “Licensed IP” with the words “Agreement IP”; and

3.12.3 replacing the full stop at the end of clause 16.1.3 with the word “; and” and inserting a new clause 16.1.4 which shall read as follows:-

“BioMed will immediately assign back to ProTides all rights in and to the Compound Patents by promptly executing an assignment agreement in favour of ProTides on terms equivalent to those set out in Part 4 of the Schedule to this Agreement.”;

3.12.4 in clauses 16.2.2 and 16.2.3, replacing the words “Licensed IP” with the words, “Agreement IP”;

3.12.5 in clause 16.2.3, by inserting the words “Compound Patents,” before the words “Compound Divisionals” and by inserting the following words at the end of the clause, “by promptly executing an assignment agreement in favour of ProTides on terms equivalent to those set out in Part 4 of the Schedule to this Agreement”;

3.12.6 by deleting the paragraph at the end of clause 16.2 which starts with the words, “Notwithstanding the above,”; and

3.12.7 in clause 16.5 by inserting the words “(including any instalments under clause 10.4 relating to events which occurred prior to termination or expiry), after the words “sums outstanding as at the date of termination or expiry”.

Clause 19

3.13 Clause 19 of the Nucana Agreement shall be amended as follows:-

3.13.1 in Clause 19.2 by inserting the following words after the words “under this Agreement”:-

“(including in the case of BioMed its rights in and to the Assigned IP)”

3.13.2 the references to “affiliate0 in clause 19.2.2 shall be changed to “Affiliate”.

3.13.3 by inserting a new clause 19.6 which shall read:-

“To the extent there is any conflict between the terms of this Agreement and the terms of any Agreement executed pursuant to Clause 3.3 of this Agreement, the terms of this Agreement shall prevail.”

Schedule

3.14 A new part 4 to the Schedule to the Nucana Agreement shall be added which shall contain the Assignment Agreement.

4. General

Further Assurance

4.1 Each of the parties to this Agreement shall, as and when requested to do so by another party, do all acts and execute all documents as may be reasonably required to give effect to the provisions of this Agreement.

Third Parties

4.2 This Agreement does not create any right enforceable by any person who is not a party to it (‘Third Party’) under the Contracts (Rights of Third Parties) Act 1999, but this clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act.

Governing Law

4.3 This Agreement is governed by the laws of England and the parties hereby submit to the exclusive jurisdiction of the English courts.

Consolidated Agreement

4.4 Following the Variation Date, the parties shall prepare and agree a consolidated and re—stated agreement which incorporates the amendments set out in this Agreement into the Nucana Agreement.

Costs

4.5 BioMed shall pay to ProTides on or immediately after the Variation Date the reasonable external costs and expenses actually incurred by ProTides in relation to the preparation, negotiation and execution of this Agreement and any documents related to it.

AGREED by the parties through their authorised signatories on the date written above:

For and on behalf of	**For and on behalf of**
Nucana Biomed Limited	**Cardiff Protides Limited**
/s/ Hugh Griffith	/s/ [***]
Signed	Signed
Hugh Griffith	[***]
Print name	Print name
CEO	CEO
Title	Title

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Schedule

Part 1 - Assignment Agreement

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

NuCana BioMed Limited
10 Lochside Place
Edinburgh Park
Edinburgh
EH12 9RG, UK
T: +44(0) 131 248 3660

Cardiff ProTides Limited
Ty Myddfai
National Botanic Gardens of Wales
Llanarthney
Carmarthen
Dyfed
SA32 8HZ

15 May 2012

Dear Sirs

NuCana BioMed Limited ("Nucana")
Cardiff ProTides Limited ("ProTides")
Licence and Collaboration Agreement between NuCana and ProTides dated 13 October 2009, as amended by a side letter between NuCana and ProTides dated 16 March 2012 (the "Agreement")

We refer to our recent discussions regarding the milestone payments set out at Clause 10 of the Agreement.

In consideration of NuCana making a [***] payment of [***] Pounds (£[***]) Sterling to ProTides within [***] following the last date of execution of this letter by the parties hereto, which payment [***], we hereby agree that the following changes shall be made to the Agreement:

1. [***];
2. [***];
3. [***];
4. [***];
5. [***]; and
6. [***].

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

This letter does not amend any other provisions of the Agreement, including without limitation the terms in accordance with which the above mentioned milestone payments are to be made by NuCana.

Any terms not defined in this letter will have the same meaning as set out in the Agreement.

ProTides, by signing the acknowledgement of this letter set out below, hereby warrants to NuCana that the terms of this letter shall be binding upon it and that it is not bound or required to obtain the consent of any third parties, including but not limited to any shareholders of ProTides, in relation to or in order to agree to the changes to the Agreement as set out above.

The terms of this letter will be governed by the laws of England and the parties hereby submit to the exclusive jurisdiction of the English Courts.

Please confirm your acknowledgement of and agreement to the provisions of this letter by signing a copy of it where indicated and returning it to us.

Yours faithfully

/s/ H. Griffith
Hugh S. Griffith
For and on behalf of NuCana BioMed Limited

We hereby acknowledge receipt of and agree to be bound by the terms of the foregoing letter.

Signed by

/s/ [***] Date 15/5/12
[***]

For and on behalf of Cardiff ProTides Limited

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.6

Conformed Copy as amended pursuant to a Variation Agreement between the parties dated 15th March 2012.

ASSIGNMENT, LICENCE AND COLLABORATION AGREEMENT

between

NUCANA BIOMED LIMITED

and

CARDIFF PROTIDES LIMITED

Dated: 13th October 2009

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

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Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

ASSIGNMENT, LICENCE AND COLLABORATION AGREEMENT

BETWEEN:

NUCANA BIOMED LIMITED, a company incorporated in England under the Companies Acts (Registered No. 03308778) and having its registered office at Butler & Co Accountants, 5 Southwell Park Road, Camberley, Surrey GU15 3PU ("**BioMed**");

and

CARDIFF PROTIDES LIMITED, a company incorporated in England and Wales under the Companies Acts (Registered No. 05455482) and having its registered office at Ty Myddfai, National Botanic Gardens of Wales, Llanarthney, Carmarthenshire SA32 8HZ ("**ProTides**").

WHEREAS:

A. BioMed is a speciality pharmaceutical company specialising in the research, development, marketing and sale of pharmaceutical products;

B. ProTides has expertise in the application of protide technology to enhance purine and pyrimidine based nucleosides which may be used as active ingredients in pharmaceutical products and is the owner of various patents relating thereto;

C. BioMed wishes to obtain, and ProTides has agreed to grant to BioMed, an exclusive licence under the Patents for the purpose of utilising the protide technology to research and develop pharmaceutical products incorporating purine and pyrimidine based nucleosides as active ingredients for any indication and thereafter to manufacture, market, distribute and sell such pharmaceutical products;

D. In addition BioMed wishes to engage ProTides to provide certain research services relating to synthesis of the Compounds.

E. With effect from the Variation Date, the parties have agreed that the patents which were previously licensed to BioMed will be assigned by ProTides to BioMed. The parties have agreed that this assignment will not otherwise affect the parties' respective rights under this Agreement and that ProTides will retain reversion rights in relation to such patents on termination of this Agreement.

NOW IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Agreement unless the context otherwise requires:-

Affiliate means in relation to a party, any body corporate or other legal entity which:-

(i) is directly or indirectly owned and/or controlled by that party;

(ii) directly or indirectly owns and/or controls that party; or

(iii) is directly or indirectly owned and/or controlled by the legal entity referred to in (ii) above.

In the case of legal entities having stocks and/or shares, ownership or control shall exist through the direct or indirect ownership and/or control of more than fifty percent of the voting shares. In the case of any other legal entity, ownership and/or control shall exist through the ability to directly or indirectly control the management and/or business of the legal entity;

Agreement IP means the Licensed IP and the Assigned IP;

Assignment Agreement means the assignment agreement entered into by the parties pursuant to Clause 3.3;

Assigned IP means the patents and patent applications assigned to BioMed pursuant to the Assignment Agreement, being the Compound Patents;

Commencement Date means 13 October 2009;

Compounds means all and any protides of nucleosides which are either:

(i) covered by a Valid Claim; or

(ii) have been synthesised by ProTides prior to the Commencement Date;

Compound Divisionals has the meaning set out in Clause 12.1.1;

Compound Patents means all patents and patent applications owned by ProTides as at the Commencement Date or at any time during the period of this Agreement which relate to protides of nucleosides, including:

(i) the patent applications listed in Part 1 of the Schedule;

(ii) the Compound Divisionals;

(iii) all patent applications which claim priority from the patent applications referred to in (i) and (ii) above or from any patent application from which the patent applications referred to in (i) and (ii) above claim priority;

(iv) all patents granted pursuant to the patent applications referred to in (i), (ii) and (iii) above; and

(v) all reissues, extensions, substitutions, continuations, divisions, supplementary protection certificates or extensions of term relating to the patent applications and patents referred to in (i) to (iv) above;

Confidential Information means all information which is in the possession of one of the parties and which is disclosed to the other party or to which the other party is permitted access during the period of this Agreement which is marked "confidential" or is communicated in confidence or that a reasonable person in like circumstances would consider to be confidential including trade secrets; business methods and plans; product development plans, pricing, budgets, and costs, manufacturing and customer information; and all information relating to the Compounds, the Licensed IP, the Products, the Research Work, and/ or the Research IP or comprised within the Technical Information or the Research IP;

Initial Period means a period of [***] following the Commencement Date;

JMC has the meaning set out in Clause 6.1;

JMC Chair has the meaning set out in Clause 6.3;

Licensed IP means any Compounds which are not covered by any claim of an issued and unexpired patent or any subsisting patent application comprised within the Assigned IP, and the Technical Information;

[***] means [***], a company incorporated under the laws of England having its registered office at [***];

[***] Sales means in relation to BioMed or any Sub-Licensee, and in relation to each unit of Product, the amount received by BioMed or any Sub-Licensee (as the case may be) from third parties in respect of supplies of that Product on a [***] basis, but excluding any amounts received by BioMed from its Sub-Licensees or by its Sub-Licensee from BioMed or any other Sub-Licensees in respect of manufacture and/ or supply of Products which are intended for supply on a [***] basis, and less the following items provided they are shown in writing on the relevant invoice or in other documentary evidence:

(i) [***];

(ii) [***];

(iii) [***];

(iv) [***];

(v) [***]; and

(vi) [***];

Net Sales means in relation to BioMed or any Sub-Licensee, and in relation to each Unit of Product, the amount received by BioMed or any Sub-Licensee (as the case may be) from third parties in the first arm's length commercial sale of that Product (or the amount that would have been received for the first arm's length commercial sale

if the supply is not on an arm's length commercial basis), but excluding (i) any [***] Sales; (ii) any amounts received by BioMed from any Sub-Licensees or by a Sub-Licensee from BioMed or any other Sub-Licensees in respect of manufacture and/ or supply of Products which are intended for resale; and (iii) supplies of Product by BioMed or any Sub-Licensee (as the case may be) [***] (or, in relation to supply by a Sub-Licensee, for any longer period specified in the relevant Sub-licence Agreement) following the launch of each Product (on an indication by indication basis); and less the following items provided they are shown in writing on the relevant invoice or in other documentary evidence:

(i) [***];

(ii) [***];

(iii) [***];

(iv) [***]; and

(v) [***];

Principal Investigator means [***] of the [***] or any replacement for [***] appointed in accordance with Clause 7.6;

Products means all pharmaceutical products developed, manufactured, marketed, distributed and/or sold by BioMed or a Sub-Licensee which are covered by a Valid Claim;

Quarter means the period from (and including) the Commencement Date until the next falling Quarter Date, the period of three (3) months commencing on (and including) the next falling Quarter Date and each subsequent period of three (3) months during the period of this Agreement, and the term "**Quarterly**" will be construed accordingly;

Quarter Date means 1st January, 1st April, 1st July, and 1st October in each calendar year;

Research IP means all compounds, information, know-how, results and inventions (patentable or unpatentable) generated or derived by ProTides, the University or [***], or any other approved sub-contractor, in each case in the course of performing the Research Work, including, where so generated or derived, [***];

Research Patents means:

(i) all patent applications filed for patentable inventions comprised within the Research IP;

(ii) all patent applications which claim priority from the patent applications referred to in (i) above;

(iii) all patents granted pursuant to the patent applications referred to in (i) and (ii) above; and

(iv) all reissues, extensions, substitutions, continuations, divisions, supplementary protection certificates or extensions of term relating to the patent applications and patents referred to in (i) to (iii) above;

Research Work means the work relating to initial discovery, novel drug design, and initial in vitro screening of purine and pyrimidine based nucleosides to be conducted by ProTides pursuant to Clause 7 as further described in the Research Workplan;

Research Workplan means the workplan to be agreed by the JMC pursuant to Clause 6.5.1 as changed, amended and/ or extended from time to time pursuant to Clauses 6.5.2 and 6.5.4 (subject always to Clause 6.6.3);

Schedule means the schedule (in three (3) parts) annexed to and which will be deemed to form part of this Agreement;

Staff Costs means the staff costs set out in Part 3 of the Schedule;

Sub-Contracting Services means contract research and development, consultancy, sub-contract manufacturing, packaging, warehousing and distribution logistics (including import and export activities) services;

Sub-Licensee means:

(i) any person or entity to whom BioMed grants a sub-licence of its rights to use any of the Licensed IP; and/or

(ii) any person or entity to whom BioMed grants a licence of its rights in the Assigned IP or any Compounds; and/or

(iii) any person or entity to whom a sub-licence or right to use any of the Agreement IP is granted by a party described in part (i) and/or part (ii) above,

but excluding in each case any third party sub-contractor to whom BioMed or any of the parties described in parts (i) and (ii) above grants a licence or sub-licence of its rights to use any of the Agreement IP solely for the purpose of providing Sub-Contractor Services to BioMed or any of the parties described in parts (i) and (ii) above;

Sub-Licence Agreement means any agreement entered into between BioMed and a Sub-Licensee and/or between two Sub-Licensees in terms of which BioMed grants to the Sub-Licensee or a Sub-Licensee grants to another Sub-Licensee a licence to use any of the Agreement IP;

Technical Information means all and any information of a scientific or technical nature in ProTides' possession as at the Commencement Date relating to the Compounds and/ or the protide technology as described in the Compound Patents including results of and data arising from [***]; and all files, reports, documents, papers, and databases (whether printed or electronic) incorporating, comprising or recording any of the foregoing;

Territory means [***];

University means [***];

Valid Claim means in respect of each country or territory within the Territory:

(i) any claim of any issued and unexpired patent comprised within the Compound Patents and/ or the Research Patents; and

(ii) any claim contained within any subsisting patent application comprised within the Compound Patents and/ or the Research Patents,

which relates to that country or territory and which has not been abandoned or allowed to lapse or finally rejected or declared invalid by a patent office or by a court of competent jurisdiction in an unappealed or unappealable decision; and

Variation Date means 15th March 2012.

1.2 Words denoting the singular include the plural and vice versa, words denoting a gender include all genders, and words denoting persons include corporations and all other legal entities.

1.3 Unless the context otherwise requires, a reference in this Agreement to any Clause will be deemed to be a reference to the relevant clause of this Agreement.

1.4 The headings are inserted for ease of reference only and will not affect the interpretation or construction of this Agreement.

1.5 References in this Agreement to the word “include” or “including” are to be construed without limitation to the generality of the preceding words.

1.6 Any reference to any English term for any action, remedy, method or judicial proceeding, legal document, legal status, court, official or any legal concept or thing will in respect of any jurisdiction other than England be deemed to include what most nearly approximates in that jurisdiction to the English term.

2. TERM

2.1 This Agreement will commence on the Commencement Date and, subject to earlier termination under Clauses 15 (Termination) or 17 (Force Majeure) the licences granted under this Agreement will continue in full force and effect separately in each country or territory within the Territory, until the later of (as applicable):

2.1.1 the date on which all of the Compound Patents and Research Patents which relate to that country or territory have either expired or been held invalid by a court of competent jurisdiction in an unappealed or unappealable decision or

been allowed to lapse or been abandoned or been finally rejected by the relevant patent office and any period for appeal or opposition in relation to the rejection has expired; or

2.1.2 provided the Technical Information remains secret and is not put into the public domain (other than by BioMed or its Sub-Licensees) or is covered by any period of data exclusivity, ten (10) years from the date of first commercial sale of a Product which has an appropriate product licence granted by a statutory regulatory authority in the relevant country or territory.

2.2 Unless earlier terminated pursuant to Clauses 15 or 17, this Agreement will terminate when all of the licences granted under this Agreement have expired in all countries and territories within the Territory. For the avoidance of doubt, the licence will not expire in a country if a Valid Claim exists in that country even though, following execution of the Assignment Agreement, the Valid Claim forms part of the Assigned IP and not part of the Licensed IP.

3. GRANT OF LICENCE AND ASSIGNMENT

3.1 ProTides hereby grants to BioMed, and BioMed hereby accepts, an exclusive royalty bearing licence to use, and subject to Clause 5 of this Agreement to grant sub-licences to third parties to use, the Licensed IP for all purposes, including researching and developing pharmaceutical products comprising Compounds for all and any therapeutic, diagnostic, prognostic and prophylactic indications and thereafter the manufacture, marketing, distribution and sale of such pharmaceutical products in the Territory, on the terms and conditions contained in this Agreement.

3.2 ProTides will not (except as expressly permitted under other provisions of this Agreement) during the period of this Agreement use, or grant to any person or entity a licence or other right to use, the Compounds, the Assigned IP, the Licensed IP and/ or the Research Patents and/ or Research IP for any purpose whatsoever.

3.3 On or immediately after the Variation Date, ProTides shall enter into an assignment in the form set out in Part 4 of the Schedule to this Agreement pursuant to which ProTides will assign to BioMed all of ProTides' right, title and interest in the Compound Patents to BioMed.

4. SUPPLY OF TECHNICAL INFORMATION AND COMPOUNDS

4.1 ProTides will give BioMed reasonable access to the Technical Information (in written form if available and reasonably requested by BioMed) and will use all reasonable endeavours to answer reasonably promptly all queries received from BioMed regarding the Technical Information.

4.2 ProTides undertakes to BioMed that if it or any of its sub-contractors requires to obtain stocks of active ingredients in order to synthesise the compounds to be supplied to BioMed or to be used by ProTides or its sub-contractors to conduct work pursuant to the Research Workplan it will ensure that such stocks are sourced from an authorised distributor.

5. **LICENSING AND SUB-LICENSING**

5.1 BioMed will be entitled to grant to third parties (which includes Affiliates of BioMed) licences and/or sub-licences of the Agreement IP and/ or its rights under this Agreement, provided always that BioMed complies with the provisions of Clauses 5.2 and 5.3.

5.2 BioMed acknowledges that each third party to whom BioMed grants a licence and/or sub-licence of its rights to use any of the Agreement IP may (if BioMed grants such third party the right to do so) grant further sub-licences of its rights to use the Agreement IP but that any sub-sub-licensees appointed by such third parties will not have the right to grant further sub-licences, and this restriction on sub-sub-licensees granting further sub-licences of their rights to use the Agreement IP will be reflected in each Sub-Licence Agreement.

5.3 BioMed agrees that it will:

5.3.1 enter into an appropriate written agreement with each third party to whom it grants a licence and/or sub-licence of its rights to use the Agreement IP setting out the terms on which the Sub-Licensee is entitled to use (and grant sub-licences to third parties to use) the Agreement IP;

5.3.2 procure that any third party to whom it grants a licence and/or sub-licence of its rights to use the Agreement IP enters into an appropriate written agreement with each sub-sub-licensee to whom that third party grants a sub-licence of its rights to use the Agreement IP setting out the terms on which the sub-sub-licensee is entitled to use the Agreement IP;

5.3.3 use reasonable efforts to [***]. ProTides acknowledges and agrees that notwithstanding this Clause 5.3.3, but subject to the other provisions of this Clause 5, BioMed will have sole discretion in relation to the terms, financial or otherwise, on which it grants any licence and/or sub-licence of its rights in relation to the Agreement IP [***];

5.3.4 notify ProTides of the grant of each licence and/or sub-licence, such notification to include a copy of the agreement with each Sub-Licensee, within [***] of execution;

5.3.5 ensure that the provisions of the Sub-Licence Agreement are consistent with all relevant provisions of this Agreement. [***];

5.3.6 ensure that the Sub-Licence Agreement imposes obligations of confidentiality on the Sub-Licensee which are no less onerous than those set out in Clause 14;

5.3.7 except for licences and/or sub-licences granted to Affiliates of BioMed, only enter into bona-fide Sub-Licence Agreements with third parties on an arm's-length basis; and

5.3.8 ensure that any licences and/or sub-licences granted by BioMed to Affiliates which are not on an arm's length basis are terminated if the relevant Affiliate is no longer a member of the BioMed group, which will for these purposes be deemed to comprise (i) any parent company of BioMed, (ii) all subsidiaries of Bio-Med, and (iii) all subsidiaries of any parent company of BioMed.

5.4 BioMed shall procure that each Sub-Licensee complies fully at all times with the provisions of its Sub-Licence Agreement.

5.5 BioMed shall be responsible to ProTides for all acts and/or omissions of each Sub-Licensee as if such acts or omissions had been made by BioMed. ProTides acknowledges that if any act or omission of a Sub-Licensee is deemed to be a material breach of this Agreement by BioMed, BioMed and/ or the Sub-Licensee will have an opportunity to remedy the material breach on the same basis as would apply if the act or omission had been committed by BioMed.

5.6 ProTides acknowledges and agrees that the restrictions contained in Clauses 5.1 to 5.3 (inclusive) will not apply to any licences and/or sub-licences to use the Agreement IP granted by BioMed or its Sub-Licensees to any third party sub-contractors for the sole purpose of enabling the third party sub-contractor to provide any Sub-Contracting Services for BioMed or the Sub-Licensee (as the case may be).

6. JOINT MANAGEMENT COMMITTEE

6.1 BioMed and ProTides will establish a joint management committee (the "**JMC**") to oversee conduct of the Research Work.

6.2 Each party will:

6.2.1 nominate [***] to participate as members of the JMC;

6.2.2 notify the other party of its initial [***] for the JMC within [***] following the Commencement Date and provide contact details (including a telephone number and email address) for its members;

6.2.3 keep the other party and the then current members of the JMC advised of any changes to its members and/ or the contact details for any of its members.

One of [***] members shall be the Principal Investigator.

6.3 [***] will designate one of its members to act as the chairman or chairwoman (as the case may be) of the JMC ("**the JMC Chair**").

6.4 The JMC will meet at least [***] during the period that the Research Work is ongoing. Meetings will be organised by the JMC Chair and may take place in person or by telephone or video conferencing, provided that at least [***] the JMC will meet in person. Each party shall bear all costs incurred by its members for attendance at and travel to meetings of the JMC. The JMC Chair will consult with [***] nominated representatives as to the date and location of meetings of the JMC and will take reasonable account of [***] nominated representatives' other work related commitments when organising such meetings. The quorum for meetings of the JMC will be at least [***] appointed by each party.

6.5 The JMC's responsibilities will include:

6.5.1 subject to Clause 6.6, discussing and agreeing promptly following the Commencement Date a workplan setting out in reasonable detail the research work to be conducted by ProTides on BioMed's behalf during the [***] of the Agreement, the timescales for completion thereof, the deliverables to be provided by ProTides to BioMed and the budget for such research work;

6.5.2 subject to Clause 6.6, agreeing and documenting prior to each [***] of the Commencement Date any amendments and extensions to the Research Workplan as necessary to cover the research work to be conducted by ProTides during, and to set the budget for such work for, the forthcoming [***] period;

6.5.3 overseeing ProTides' performance of the Research Work and monitoring progress and the results thereof; and

6.5.4 subject to Clause 6.6, considering and approving any changes to the Research Workplan (including any amendments to the Staff Costs or the budget for the Research Work) proposed by ProTides pursuant to Clause 7.9.

6.6 Notwithstanding the foregoing, each party acknowledges that:

6.6.1 the JMC will have no power to agree any changes to the terms of this Agreement or to give any consents or notifications required to be given by or to either party under this Agreement;

6.6.2 the JMC will have no power to oblige ProTides to undertake any work:-

(a) which is outside the scope of its expertise; and/or

(b) for which a fair and reasonable compensation package has not been agreed between the parties in writing; and

6.6.3 the budget for the Research Work to be conducted by ProTides during the [***] of this Agreement and thereafter, the scope of the Research Workplan and any amendments or extensions of the Research Workplan (including setting of and any changes to the Staff Costs and/ or the budget for the Research Work) agreed by the JMC pursuant to Clauses 6.5.2 and 6.5.4 will require both ProTides and BioMed's prior written approval.

6.7 [***] will ensure that the JMC Chair:

6.7.1 circulates minutes of each meeting of the JMC to all members within [***] [***] following the date of the relevant meeting; and

6.7.2 circulates a written agenda to each member at least [***] in advance of each meeting of the JMC.

6.8 All decisions of the JMC will be made by consensus. If, after reasonable discussion, consensus cannot be achieved on any decision, the relevant decision will be referred to each party's Chief Executive Officer for determination. If the Chief Executive Officers of the parties cannot after reasonable efforts reach agreement on the referred issue, [***] will, subject always to the provisions of Clause 6.6, have the deciding vote. For the avoidance of doubt, [***] cannot use its deciding vote to decide any of the matters specified in Clause 6.6, each of which must be expressly agreed in writing by the parties.

6.9 The JMC will continue to operate at all times whilst ProTides is conducting the Research Work.

7. CONDUCT OF THE RESEARCH WORK

7.1 ProTides will at all times conduct the Research Work in accordance with the terms of this Agreement, including the Research Workplan, and in line with any directions received from the JMC.

7.2 The Research Work will commence promptly following the JMC reaching agreement on the Research Workplan pursuant to Clause 6.5.1 and BioMed and ProTides approving the scope of and budget for the Research Work pursuant to Clause 6.6.3.

7.3 Subject to Clause 7.6, during the Initial Period, BioMed will not be entitled to terminate the Research Work, except if BioMed terminates this Agreement in its entirety pursuant to Clause 15. Following the Initial Period, BioMed may terminate the Research Work, at its sole discretion, at any time by serving not less than [***] written notice of termination on ProTides. If BioMed terminates the Research Work, this Clause 7 (other than Clause 7.8.3) will cease to have effect and the terms of Clause 16.3 will apply, but the other terms of this Agreement will continue in full force and effect.

7.4 BioMed acknowledges that ProTides may sub-contract the Research Work to the University and/or to [***]. ProTides will not sub-contract any part of the Research Work to any third party other than the University or [***] without first obtaining BioMed's prior written consent. ProTides will enter into an appropriate written agreement with each third party (including the University and [***]) to whom it sub-contracts any part of the Research Work confirming that:

7.4.1 all right, title and interest in and to any Research IP generated or derived by that sub-contractor (and any personnel engaged by that sub-contractor to work on the Research Work) will be owned by BioMed; and

7.4.2 such sub-contractor will keep all Technical Information, Research IP and information relating to the Research Work confidential and will not use the Technical Information and/ or Research IP for any purpose other than conducting the Research Work, in accordance with the terms set out in Clause 14.

7.5 ProTides will:

7.5.1 be responsible for all and any sums payable to any sub-contractors including the University and [***] in relation to performance of any part of the Research Work;

7.5.2 procure that each sub-contractor complies fully at all times with the provisions of its sub-contract agreement; and

7.5.3 be responsible to BioMed for all acts and/or omissions of each sub-contractor as if such acts or omissions had been made by ProTides.

7.6 The Research Work (including any work sub-contracted to the University, [***] or any other third party pursuant to Clause 7.4) will be performed under the supervision and direction of the Principal Investigator. If at any time during the period of this Agreement the Principal Investigator is unable or unwilling to continue with supervision and direction of the Research Work or to participate as a member of the JMC, ProTides will promptly notify BioMed of this fact and, in consultation with BioMed, will endeavour to appoint a successor as soon as reasonably practicable thereafter. If an appropriate successor acceptable to both parties cannot be found within [***] following ProTides' notification, BioMed may terminate the Research Work with immediate effect by serving a written notice on ProTides. If BioMed terminates the Research Work, this Clause 7 (other than Clause 7.8.3) will cease to have effect and the terms of Clause 16.3 will apply, but the other terms of this Agreement will continue in full force and effect.

7.7 ProTides will ensure that all personnel engaged by it or by any of its sub-contractors to undertake the Research Work are appropriately experienced and trained. ProTides will promptly following BioMed's request supply to BioMed details of the scientific qualifications and grade of the scientist(s) engaged by ProTides and/ or any of its sub-contractors to perform the Research Work. ProTides will ensure that its and its sub-contractor's personnel engaged on the Research Work keep detailed written laboratory notebooks and other records and reports of their progress with, and the results of, the Research Work in accordance with good industry practice, and that such laboratory notebooks are signed, witnessed and dated daily in accordance with good academic and scientific practice.

7.8 ProTides will provide to the JMC and to BioMed (in BioMed's case, promptly on request):

7.8.1 within [***] following the end of each Quarter during the period when the Research Work is ongoing a written interim report summarising its progress with, and the results of, the Research Work in the relevant Quarter;

7.8.2 within [***] following completion of the Research Work a written report summarising in full its progress with, and the results of, the Research Work;

7.8.3 [***], a copy of all results and other data and records generated by ProTides and the University and any other approved sub-contractors in the course of performing the Research Work.

7.9 [***] will keep the Research Workplan under review and promptly notify the JMC of all and any amendments to the Research Workplan, including any changes to the budgets and/ or timelines contained in the Research Workplan, which [***] believes are reasonably necessary in light of the ongoing results of the Research Work or other extraneous circumstances occurring during the Research Work. All changes to the Research Workplan will require the JMC's and the parties' prior written consent.

7.10 ProTides will regularly consult with, and take reasonable account of all comments received from, the JMC in relation to the conduct of and progress with the Research Work.

7.11 ProTides will (and will ensure that the University, [***] and any other approved sub-contractors) carry out its (and their) responsibilities in connection with the Research Work:

7.11.1 diligently, with reasonable skill and care and using reasonable efforts to ensure that appropriate levels of expertise and personnel are contributed to conduct the Research Work in a proper and efficient manner; and

7.11.2 in accordance with all applicable laws and regulations including all FDA, EMEA and ICH guidelines and the terms of this Agreement.

7.12 The parties acknowledge that:-

7.12.1 the Research Work is a research project and as with any research project, notwithstanding the Research Work being properly conducted by ProTides in accordance with the Research Workplan and the terms of this Agreement, the objectives of the Research Work may not be achievable and the therefore the result of cannot be guaranteed within a particular timeframe or at all;

7.12.2 ProTides is not able to undertake its responsibilities under the Research Workplan in accordance with good laboratory practice; and

7.12.3 any samples of compounds manufactured and supplied by ProTides to BioMed will not be manufactured in accordance with GMP.

7.13 If at any time [***], provided that in each case:

7.13.1 ProTides' and/ or the University's (as the case may be) bid for such work is [***];

7.13.2 ProTides and/ or the University (as the case may be) is [***]; and

7.13.3 ProTides' and/ or the University's (as the case may be) [***].

7.14 ProTides acknowledges that if:

7.14.1 ProTides' and/ or the University's (as the case may be) bid for any medicinal chemistry work is [***];

7.14.2 ProTides and/ or the University is/are [***]; and/ or

7.14.3 [***],

BioMed will be entitled to employ, contract or otherwise instruct or utilise a third party to carry out any such medicinal chemistry research activities in relation to the Compounds, [***].

7.15 If and when requested to do so by [***],[***] will, subject to receiving reasonable written notice and during normal business hours, allow an independent accountant appointed by [***] access to inspect [***] records to verify that the terms on which any third party has been appointed by [***] to carry out medicinal chemistry research activities in relation to the Compounds [***]. Any independent accountant appointed by [***] pursuant to this Clause 7.15 will enter into a confidentiality agreement with [***] in terms of which the independent accountant will agree to keep all information gained from inspection of [***] records confidential and not to disclose and/ or use any such information for any purpose other than confirming to [***] whether [***]has complied with its obligations [***]. [***] acknowledges that such independent accountant will not be entitled to disclose to [***] the actual terms upon which [***] has appointed any third party to carry out medicinal chemistry research activities in relation to the Compounds.

8. BIOMED RESPONSIBILITIES

8.1 BioMed will be responsible [***] for (and will have sole discretion, subject to Clause 8.3, in relation to):-

8.1.1 evaluation of the Compounds to determine which (if any) are suitable candidates for further research as pharmaceutical products and selection of any lead candidates;

8.1.2 determining the strategy and timing for, and overseeing the conduct and management of, the pre-clinical and clinical research and/ or development of Products, [***];

8.1.3 [***];

8.1.4 the manufacture, distribution, marketing, sale and supply of Products; and

8.1.5 reviewing the ongoing results of the Research Work and determining the patenting strategy for any patentable inventions comprised within the Research IP.

8.2 BioMed will provide to ProTides [***] a [***] report which provides ProTides with an update regarding BioMed's and/or that of its Sub-Licensees progress with its efforts with the activities set out in Clause 8.1.

8.3 BioMed will, during the period of this Agreement, use [***] efforts to research and develop Products and thereafter to obtain regulatory approvals for the Products and to [***] sales of the Products in major pharmaceutical markets.

8.4 Without prejudice to the generality of Clause 8.3, BioMed agrees that it shall use [***] efforts to ensure that [***] within [***] of the Commencement Date. For these purposes "[***]" means [***].

8.5 BioMed will promptly notify ProTides in writing of the [***] by BioMed or its Sub-Licensees anywhere in the Territory. BioMed will promptly notify ProTides in writing when [***] occur.

8.6 BioMed will, during the period of this Agreement, [***] with all relevant legislation, rules, regulations and statutory requirements relating to the [***] of Products.

8.7 ProTides acknowledges that BioMed's ability to properly perform its duties under this Clause 8 is dependent upon [***]. BioMed will not be liable for any breach of or failure to perform its obligations under this Clause 8 to the extent that such breach or failure of performance is the result of [***].

9. **DELETED**

10. **FINANCIAL PROVISIONS**

10.1 Subject to Clause 6.6.3, [***] will:

10.1.1 reimburse [***] for all reasonable costs (other than [***]) actually incurred by [***] (but excluding [***]) in connection with performance of the Research Work in accordance with the budget set out in the Research Workplan; and

10.1.2 unless otherwise agreed with [***] and for so long as the relevant scientists are engaged in performing the Research Work reimburse [***] for [***] in accordance with the terms set out in [***] of the Schedule.

[***] will invoice [***] for such costs [***]. Except in the case of a manifest error or a bona fide dispute as to the amount properly due, [***] will pay all such invoices within [***] following receipt.

10.2 In consideration of the execution of the Assignment Agreement and licence rights granted to BioMed under this Agreement, BioMed will pay to ProTides the following milestone payments:

10.2.1 [***];

10.2.2 [***];

10.2.3 [***];

10.2.4 [***];

10.2.5 [***];

10.2.6 [***];

10.2.7 [***];

10.2.8 [***];

10.2.9 [***]; and

10.2.10 [***].

For the purposes of this Clause, "[***]" will be deemed to mean [***], "[***]" is [***] and "[***]" will be deemed to mean [***].

10.3 The payments referred to in Clauses 10.2.2, 10.2.4, 10.2.6, 10.2.8, and 10.2.10 will be due for [***]. For example, [***].

10.4 Each of the payments referred to in Sub-Clauses 10.2.1 to 10.2.10 (inclusive) will be paid in [***]. [***].

10.5 In further consideration of execution of the Assignment Agreement and the licence rights granted to BioMed under this Agreement, BioMed will pay to ProTides subject to Clause 10.6 and in accordance with Clause 10.7:

10.5.1 royalties at the following rates in respect of all Net Sales and [***] Sales generated by BioMed and any Sub-Licensees which are Affiliates of BioMed and which sub-licences have not been entered into on an arm's length basis in each calendar year during the period of this Agreement:

[***] Net Sales and [***] Sales in each calendar year, to be calculated on a [***] basis	**Royalty Rate**
Up to [***] United States Dollars ($[***]USD)	[***] percent ([***]%)
[***] United States Dollars ($[***] USD) up to [***] United States Dollars ($[***] USD)	[***] percent ([***]%)
[***] United States Dollars ($[***] USD) up to [***] Million United States Dollars ($[***] USD)	[***] percent ([***]%)
[***] United States Dollars ($[***] USD) up to [***] United States Dollars ($[***] USD)	[***] percent ([***]%)
In excess of [***] United States Dollars ($[***] USD)	[***] percent ([***]%)

10.5.2 royalties at a rate to be calculated as follows in respect of Net Sales and [***] Sales generated by each Sub-Licensee (other than Sub-Licensees which are Affiliates of BioMed and which sub-licences have not been entered into on an arm's length basis) in each calendar year of this Agreement:

Royalty rate = [***]

Where:

A= [***] percent ([***]%)

B= the actual royalty rate to be applied to the relevant Sub-Licensee's Net Sales and/or [***] Sales in the relevant calendar year in calculating sums due to BioMed in respect thereof.

If the value of B in the Sub-Licence Agreement is not a fixed amount but changes depending on, for example, the amount of cumulative sales or other criteria then a separate calculation of the royalty rate will be made for each category for which the value of B is variable.

For example:

(i) if BioMed is due royalties from a Sub-Licensee equivalent to [***] ([***])% of a Sub-Licensee's Net Sales and/or [***] Sales in the relevant calendar year, the royalty rate for the purposes of this Clause 10.5.2 will be calculated as follows:

[***]

and accordingly the sum payable by BioMed to ProTides will be [***]% of the Net Sales and [***] Sales generated by the relevant Sub-Licensee in the relevant calendar year;

(ii) if BioMed is due royalties from a Sub-Licensee equivalent to [***] ([***])% of the Sub-Licensee's Net Sales and/or [***] Sales in the relevant calendar year, the royalty rate for the purposes of this Clause 10.5.2 will be calculated as follows:

[***]

and accordingly the sum payable by BioMed to ProTides will be [***]% of the Net Sales and [***] Sales generated by the relevant Sub-Licensee in the relevant calendar year; and

(iii) if BioMed is due royalties from a Sub-Licensee equivalent to [***] percent ([***]%) on the first $[***] of the Sub-Licensee's Net Sales in each year and twelve percent ([***]%) thereafter, then the royalty rates will be calculated as follows:

[***] of the Sub-Licensee's Net Sales in the relevant calendar year, and

[***] Net Sales generated by the Sub-Licensee in the relevant calendar year.

10.6 If in any country or territory there is [***], then the royalty rate payable by BioMed in respect of Net Sales and/ or [***] Sales of the relevant Product in the relevant country or territory will be [***] percent ([***]%) and the Net Sales and/ or [***] Sales of the relevant Product in the relevant country or territory will be [***] for the purposes of Clause 10.5.

10.7 The royalty payments due to ProTides pursuant to Clauses 10.5 and 10.6 will be paid within [***] following the end of [***] in which;-

10.7.1 in respect of Net Sales and [***] Sales generated by BioMed and any Sub-Licensees which are Affiliates of BioMed and which sub-licences have not been entered into on an arm's length basis, the Net Sales and [***] Sales were actually received by BioMed and the relevant Sub-Licensees; and

10.7.2 in respect of Net Sales and [***] Sales generated by each Sub-Licensee (other than Sub-Licensees which are Affiliates of BioMed and which sub-licences have not been entered into on an arm's length basis), the sums payable to BioMed in respect of such Net Sales and [***] Sales were actually received by BioMed, unless the sums payable to BioMed in respect of such Net Sales and [***] Sales are less than the amounts which BioMed is due to pay to ProTides in respect of such Net Sales and [***] Sales, in which case the royalty payments due to ProTides in respect of such Net Sales and [***]

Sales will be paid within [***] following the end of [***] in which the relevant Net Sales and [***] Sales were actually received by the relevant Sub-Licensee.

10.8 Each royalty will be accompanied by a written statement showing the following for each and every Product:

10.8.1 [***];

10.8.2 [***];

10.8.3 [***];

10.8.4 [***];

10.8.5 [***];

10.8.6 [***];

10.8.7 [***];

10.8.8 [***];

10.8.9 [***]; and

10.8.10 [***].

10.9 All payments due to ProTides under this Agreement will be paid by electronic transfer to the following bank account:-

Sort Code:	[***]
Account No:	[***]
Bank:	[***]
Account Name:	[***]
IBAN:	[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

All charges for electronic transfer of funds to the foregoing account levied by [***] bank will be borne by [***]. All charges for electronic transfer of funds to the foregoing account levied by [***] bank will be paid by [***].

10.10 All royalties payable under Clause 10.5 will be paid in [***] and, if any sums on which royalties are payable are received in a currency other than [***], they will be converted into [***] using the daily 12 noon buying rate in New York, as certified by the New York Federal Reserve Bank, for that currency on the last business day of [***] in respect of which the royalties are due.

10.11 BioMed will, and will ensure that its Sub-Licensees will, for a period of [***] following the end of the year to which the relevant books and records relate, keep appropriate books and records of all its (and their) Net Sales and [***] Sales, and all sums paid to BioMed by its Sub-Licensees, in sufficient detail to enable the royalties payable to ProTides under this Agreement to be calculated. BioMed will, and will procure that its Sub-Licensees will, allow ProTides at BioMed or its Sub-Licensees' discretion, an independent auditor appointed by ProTides on giving reasonable notice [***] access to inspect such books and records for the purpose of verifying the sums due to ProTides under this Agreement. ProTides will ensure that any auditor whom it appoints to inspect BioMed's and/ or its Sub-Licensees books and records for the purpose of verifying the royalties due to ProTides under this Agreement treats such books and records as the confidential information of BioMed and/ or the Sub-Licensee (as the case may be) and does not disclose any information contained in such records to any third party other than ProTides and its other professional advisers, and then only to the extent required to verify whether BioMed has complied with its obligations under this Agreement. All fees and expenses relating to audits of BioMed's books and records performed by ProTides or any independent auditor will be the sole responsibility of ProTides unless there is an error of more than [***]% in any amount due or paid to ProTides in which case BioMed shall [***] pay to ProTides the [***] external costs of the audit. If ProTide's inspection shows that BioMed has paid more than the amounts properly due under this Agreement then BioMed shall be entitled at its option to either deduct such excess from any sums payable to ProTides' under this Agreement or to reclaim the overpayment from ProTides. If ProTides'

inspection reveals a deficit then, without prejudice to any other right or remedy available to ProTides, BioMed shall [***] make good the deficit and pay interest on the deficit at the rate specified in this Agreement from the date upon which the deficit arose to the date upon which the deficit was paid.

10.12 Interest at the rate of [***] per cent ([***]%) per annum above the base rate from time to time of The Royal Bank of Scotland plc will be due and payable on all sums due under this Agreement from the due date for payment until settlement in full.

10.13 All payments due to ProTides under this Agreement will be made [***]. If BioMed is required by law to make any deduction or to withhold any part of any amount due to ProTides under this Agreement, BioMed will promptly account to the relevant tax or other authority for the full amount of the deduction or withholding, give to ProTides proper evidence of the amount deducted or withheld and payment of that amount to the relevant taxation or other authority, and will use reasonable endeavours to enable or assist ProTides to claim exemption from or, if that is not possible, to obtain a credit for the amount deducted or withheld under any applicable double taxation or similar agreement from time to time in force.

10.14 The amounts paid by BioMed to Protides pursuant to this Clause 10 will be deemed to be Confidential Information disclosed to Protides by BioMed and will be kept confidential by ProTides in accordance with Clause 14.

10.15 The amounts specified in this Agreement are exclusive of VAT or any other sales tax or duties which, if payable, shall be paid by the payer in addition to the sums in respect of which they are due.

11. INTELLECTUAL PROPERTY

11.1 ProTides will:

11.1.1 ensure that all right, title and property in and to any Research IP, [***], is assigned to and vests fully in BioMed; and

11.1.2 not assign, or grant any right or interest in, any of the Licensed IP to any third party without first obtaining BioMed's prior written consent, which consent it will be in BioMed's sole discretion to refuse.

11.2 ProTides will promptly on BioMed's request:

11.2.1 execute all documents reasonably required to give effect to the licences granted to BioMed under Clause 3.1 and to enable registration of the licences at the relevant patent offices; and

11.2.2 do all such things and execute all such further documents, forms and authorisations as may be required to vest the whole property, right, title and interest in and to the Research IP and Research Patents in BioMed absolutely, and to enable BioMed to record the assignation of the Research Patents at the relevant patent registries, including executing formal assignations.

11.3 ProTides acknowledges that BioMed will be free to file patent applications in its own name in respect of any (i) new uses of the Compounds, (ii) the Research IP, and/ or (iii) Products developed by BioMed.

12. PATENTING

12.1 ProTides acknowledges that BioMed will be entitled at any time and in its sole discretion to prepare and file:

12.1.1 in the name of ProTides, [***] ("**Compound Divisionals**"); and

12.1.2 in its own name, patent applications for any patentable inventions comprised within the Research IP.

12.2 ProTides will promptly:

12.2.1 on BioMed's request [***] provide (and ensure that all inventors named on the Compound Patents or the Research Patents (as the case may be) provide) to BioMed all information, documentation and assistance (including executing documents) which BioMed may reasonably require to enable it to file any Compound Divisionals and/ or the Research Patents;

12.2.2 on BioMed's request [***] provide (and use reasonable endeavours to ensure that all inventors named on the Compound Patents or the Research Patents (as the case may be) provide) to BioMed all information, documentation and assistance (including executing documents) which BioMed may reasonably require to enable it to prosecute any Compound Divisionals and/ or the Research Patents; and.

12.2.3 following the Commencement Date [***] take all steps necessary to (in so far as not already undertaken prior to the Commencement Date):

(a) obtain written confirmatory assignments from each inventor named on the patent applications listed in Part 1 of the Schedule of all rights in and to such patent applications; and

(b) record and register the assignation of the whole right, title and interest in and to the Compound Patents from [***] to ProTides at all appropriate patent offices.

BioMed will on ProTides' request use its [***] endeavours to assist ProTides to undertake the actions specified in paragraphs (a) and (b) above, however the responsibility for fulfilling the obligations remains solely with ProTides.

12.3 ProTides will keep BioMed regularly informed regarding its progress with its obligations under this Clause and will promptly confirm to BioMed in writing once these obligations have been fulfilled.

12.4 BioMed will subject to ProTides timeously fulfilling its obligations under Clause 12.2 during the period of this Agreement at [***]:

12.4.1 prosecute and maintain [***];

12.4.2 use its [***] endeavours to obtain the maximum possible protection [***];

12.4.3 as and when appropriate file applications for supplementary protection certificates and other extensions of term [***]; and

12.4.4 ensure that all filing and renewal fees necessary to prosecute and maintain [***] are paid timeously.

12.5 ProTides acknowledges that subject to [***], BioMed will have sole discretion and control in relation to the patenting strategy for the Research Patents and/ or Compound Patents and any decision which requires to be taken with regard to filing, prosecution and maintenance of the Research Patents and/ or the Compound Patents in all relevant countries and territories.

12.6 BioMed will:

12.6.1 [***];

12.6.2 [***]; and

12.6.3 [***].

12.7 BioMed will during the period of this Agreement have the right (but not the obligation) to take any action, legal or otherwise (including commencing and conducting relevant court proceedings in its own name or in the joint names of the parties), as may be necessary or expedient to prevent or stop any infringement of the Agreement IP and/or to defend the Agreement IP against any challenge to validity or ownership. Unless otherwise agreed with ProTides, all costs associated with BioMed's taking any action or commencing or conducting any proceedings under this Clause 12.7 will be paid by BioMed. If BioMed commences or becomes involved in any action pursuant to this Clause 12.7 it will use reasonable endeavours to pursue and complete the proceedings to the extent reasonably possible in a manner which protects the commercial interests of both parties.

12.8 Each party will notify the other party of any:

12.8.1 actual, threatened or suspected infringement of the Agreement IP; and

12.8.2 proceedings commenced against it in which the validity or ownership of any of the Compound Patents or Research Patents is challenged,

and provide all details relating thereto in its possession, as soon as reasonably practicable after it becomes aware of such matters.

12.9 ProTides will on BioMed's request and [***] provide to BioMed all information, documentation and assistance (including executing documents) which BioMed may reasonably require to enable it to take any action or commence or conduct any proceedings pursuant to Clause 12.7.

12.10 BioMed will:

12.10.1 [***]; and

12.10.2 [***].

12.11 Any monies received by or sums awarded to BioMed in settlement of or as compensation, costs or damages as a result of taking any action or commencing or conducting any proceedings under Clause 12.7 will belong solely to BioMed with the exception of monies or sums:

12.11.1 designated by the court in the relevant award or allocated in the relevant settlement agreement as representing lost royalties or an account of profits which will be regarded for the purpose of Clause 10.5 as Net Sales generated by BioMed in [***] in which the relevant monies or sums were actually received by BioMed; and

12.11.2 in respect of attorney's fees and costs relating to such actions or proceedings which shall be shared between BioMed and ProTides pro rata based upon the amount of attorney's fees and costs incurred by each of them (in ProTides' case, to the extent such fees and costs have not previously been reimbursed to ProTides by BioMed and provided that such fees have been previously agreed with BioMed).

12.12 If BioMed does not take any action to prevent or stop any infringement of the Agreement IP and/or to defend the Agreement IP against any challenge to validity or

ownership within [***] following the written notice pursuant to Clause 12.8 or at least [***] prior to the deadline for taking action in the relevant proceedings, whichever deadline occurs earlier, ProTides will have the right to take such action or defend such challenge at its own expense, in which case, ProTides will be entitled to retain all amounts recovered in taking such action and BioMed will comply with the terms of Clause 12.10 as if the names of the parties in that Clause had been swapped.

13. WARRANTIES AND LIABILITIES

13.1 Each party hereby warrants to the other that it has full power and authority to enter into and to perform its obligations under this Agreement.

13.2 ProTides hereby warrants to BioMed that as at the Commencement Date:-

13.2.1 it has all necessary rights and authorities to grant to BioMed the licences contained in Clause 3.1 and to fulfil its obligations under this Agreement;

13.2.2 it has not granted to any third party any licence or right to use, or any option to obtain a licence or right to use, the Agreement IP for any purpose whatsoever;

13.2.3 it is the sole and exclusive owner of all right, title and interest in and to the patents and patent applications listed in Part 1 of the Schedule and the Technical Information and there are no third parties with any rights in or to the Agreement IP, including any right granted to any third party to have the Agreement IP (or any part thereof) assigned or transferred to it;

13.2.4 it is not aware, such awareness to be based on the information actually in the possession of ProTides, having made reasonable enquiry of [***], [***], the Principal Investigator and the inventors listed on the Compound Patents listed in Part 1 of the Schedule of any intellectual property rights of ProTides, [***], the University or [***] (but, in the case of enquiries made of the University or [***], limited to intellectual property rights

generated in the laboratory of the Principal Investigator) or a third party that would be infringed by BioMed using the Compound Patents to research and develop pharmaceutical products to the extent that they incorporate [***] and thereafter to manufacture, market, distribute and sell such pharmaceutical products;

13.2.5 so far as it is aware, such awareness to be based on the information actually in the possession of ProTides, having made reasonable enquiry of [***], [***], the Principal Investigator and the inventors listed on the Compound Patents listed in Part 1 of the Schedule, the Technical Information has been kept confidential and has only been disclosed to third parties under appropriate confidentiality restrictions;

13.2.6 the patent applications comprised within the Compound Patents listed in Part 1 of the Schedule are proceeding normally and ProTides is not aware of any reason why the patent applications comprised within the Compound Patents listed in Part 1 of the Schedule may not be granted or if granted, would be open to a challenge on the grounds of invalidity;

13.2.7 it has provided to BioMed a copy of all correspondence in its possession to and from the patent agents prosecuting the patent applications comprised within the Compound Patents, including a copy of all patent applications, international search reports and office actions; and

13.2.8 other than has previously been disclosed to BioMed in writing, all information provided to BioMed in relation to the Agreement IP is true and accurate in all material respects and all material information in ProTides' or [***]' possession relating to the Agreement IP has been disclosed to BioMed in writing prior to the Commencement Date.

13.3 ProTides undertakes to BioMed that it will not conduct (or agree to conduct) any work for BioMed pursuant to this Agreement (including the work to be set out in the Research Workplan and any medicinal chemistry research activities pursuant to Clause 7.13) if it does not (or its permitted sub-contractors do not) have all necessary scientific and technical facilities and expertise to be able to properly conduct such work in accordance with the terms of this Agreement.

13.4 Nothing in this Agreement will affect either party's liability to the other or to third parties for death or personal injury resulting from its own or that of its employees', agents' or sub-contractors' negligence which liability will not be limited.

13.5 [***].

13.6 Each party (the "**Indemnifying Party**") will indemnify and hold harmless the other party (the "**Indemnified Party**"), its directors, officers, shareholders, employees and agents from and against, and be responsible for all claims, demands, losses, costs, damages, actions, suits or proceedings brought or prosecuted by a third party (including reasonable lawyers' fees and other litigation costs) and all liabilities, losses, costs, and damages incurred by the Indemnified Party, to the extent arising out of the Indemnifying Party's (or its employees, agents or sub-contractors) negligence or breach of the warranties contained in Clauses 13.1 and 13.2 or the undertaking given in Clause 13.3.

13.7 BioMed (the "**Indemnifying Party**") will indemnify and hold harmless ProTides (the "**Indemnified Party**"), its directors, officers, shareholders, employees and agents from and against all claims, demands, losses, costs, damages, actions, suits or proceedings brought or prosecuted by a third (including reasonable lawyers' fees and other litigation costs) and all liabilities, losses, costs, and damages incurred by the Indemnified Party to the extent arising out of:-

13.7.1 [***]; and/or

13.7.2 [***],

but excluding any such liability, damages, claims, proceedings, expenses to the extent that they arise as a result of any breach (or any failure to perform) by [***].

13.8 Each party's indemnification obligations under Clauses 13.6 and 13.7 will be subject to the following conditions:-

13.8.1 the Indemnified Party will provide the Indemnifying Party with written notice of each claim or liability within [***] after it receives notice of such claim or liability;

13.8.2 subject to the Indemnifying Party confirming in writing that the indemnity will apply to the relevant claim or liability, the Indemnifying Party will be solely responsible for the investigation, defence, settlement and discharge of such claim or liability; and

13.8.3 the Indemnified Party will at the Indemnifying Party's cost furnish the Indemnifying Party with all assistance reasonably requested by the Indemnifying Party in connection with the investigation, defence, settlement and discharge of such claim or liability.

The Indemnified Party's failure to comply with its obligations pursuant to this Clause 13.8 will not constitute a breach of this Agreement or relieve the Indemnifying Party of its obligations pursuant to Clauses 13.6 or 13.7 except to the extent, if any, that the Indemnifying Party's defences of the claim, action or proceeding was actually materially impaired thereby.

13.9 Each party will obtain and/or maintain at all times during the period of this Agreement general liability insurance in amounts which are [***]. Each party will on request provide written proof of the existence of such insurance to the other party.

14. CONFIDENTIALITY

14.1 BioMed will not at any time during the period of this Agreement or thereafter disclose to any third party or use, or permit any person under its control to disclose to any third party, any information of a confidential nature which ProTides may disclose to BioMed during the period of this Agreement (including information relating to the Compounds, the Compound Patents and the Technical Information or ProTides' business or scientific strategies, opportunities, finances, processes, or other intellectual property) except as expressly or impliedly permitted by this Agreement or as necessary or desirable to enable BioMed to fully exploit its rights under this Agreement or with the prior written consent of ProTides. BioMed will ensure that its

employees, agents and representatives to whom confidential information which ProTides may disclose to BioMed during the period of this Agreement is disclosed are made aware of and observe the terms of this Clause 14.1.

14.2 ProTides will:

14.2.1 not at any time during the period of this Agreement or thereafter disclose to any third party or use, or permit any person under its control to disclose to any third party, any information of a confidential nature which BioMed may disclose to ProTides during the period of this Agreement (including information relating to Products or obtained from inspection of BioMed's books and records pursuant to Clause 10.11 or information relating to any proposed sub-licensing arrangements and copies of Sub-Licence Agreements provided to ProTides by BioMed pursuant to Clause 5 or BioMed's business or scientific strategies, opportunities, finances, processes, or intellectual property) except as expressly or impliedly permitted by this Agreement or as necessary to enable ProTides to enforce its rights under this Agreement or to comply with its obligations under this Agreement or with the prior written consent of BioMed; and

14.2.2 ensure that its employees, agents and representatives to whom confidential information which BioMed may disclose to ProTides during the period of this Agreement is disclosed are made aware of and observe the terms of this Clause 14.2.

14.3 ProTides will:

14.3.1 not at any time during the period of this Agreement disclose or use or permit any person under its control to disclose to any third party or use any of the Technical Information except as expressly or impliedly permitted by this Agreement or as necessary to enable ProTides to enforce its rights under this Agreement or to comply with its obligations under this Agreement or with the prior written consent of BioMed; and

14.3.2 ensure that its employees, agents and representatives to whom the Technical Information and/ or Research IP is disclosed are made aware of and observe the terms of this Clause 14.3.

14.4 The obligations contained in Clauses 14.1 to 14.3 (inclusive) will not apply to any information which the party under the relevant obligation can show by written evidence:

14.4.1 is or becomes generally available in the public otherwise than by reason of a breach of confidentiality by the party under the relevant obligation;

14.4.2 except in respect of ProTides' obligations pursuant to Clause 14.3, was known to the party under the relevant obligation and at the relevant party's free disposal prior to receipt under this Agreement;

14.4.3 is subsequently disclosed to the party under the relevant obligation without obligation of confidence by a third party owing no obligation of confidentiality to the other party in respect thereof;

14.4.4 is independently developed, discovered or acquired by the party under the relevant obligation without reference to any information covered by an obligation of confidentiality under this Agreement; or

14.4.5 is disclosed to the patent office in any country or territory as part of or in furtherance of a patent application comprised within the Licensed IP; or

14.4.6 is disclosed to a regulatory agency in any country or territory as part of or in furtherance of an application for marketing authorisation for a Product or any variation of a marketing authorisation received for a Product; or

14.4.7 legally requires to be disclosed, provided the party under the legal obligation to disclose provides, to the extent reasonably possible, prompt notice of the legal obligation to disclose to the other party and reasonably cooperates with the other party in seeking to avoid or limit the scope of the disclosure.

14.5 Each party will keep the terms of this Agreement confidential and shall not make any public announcement in relation to the entering into of this Agreement without the other party's prior written consent, such consent not to be unreasonably withheld or delayed.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

14.6 Notwithstanding Clauses 14.1, 14.2, 14.3, and 14.5:

14.6.1 BioMed will be entitled to provide a copy of this Agreement and any Confidential Information received from ProTides to its investors, potential investors, Sub-Licensees and potential Sub-Licensees and to its professional advisers, provided that such parties are bound by an appropriate obligation of confidentiality no less onerous than that set out in this Agreement in relation to such disclosure;

14.6.2 ProTides will be entitled to provide a copy of this Agreement and any Confidential Information received from BioMed to its investors, potential investors and to its professional advisers, provided that:

(a) such parties are bound by an appropriate obligation of confidentiality no less onerous than that set out in this Agreement in relation to such disclosure; and

(b) ProTides will not under any circumstances disclose the terms of this Agreement and/ or any Confidential Information received from BioMed under this Agreement to any third party (including the University) which is subject to a requirement to disclose information pursuant to the Freedom of Information Act 2002 and/ or Freedom of Information (Scotland) Act 2002; and

14.6.3 each party may disclose the terms of this Agreement to any securities exchange or regulatory authority or governmental body to which the relevant party is subject or submits, wherever situated including the U.S. Securities Exchange Commission, the U.K. Stock Exchange Panel or the Panel on Take-overs and Mergers, provided that the relevant party takes full advantage of all provisions to keep confidential as many terms of this Agreement as possible.

15. **TERMINATION**

15.1 ProTides may terminate this Agreement forthwith by giving written notice to BioMed if:

15.1.1 any sums payable by BioMed under this Agreement remain unpaid [***] after BioMed receiving written notice from ProTides that the relevant sums are overdue for payment; or

15.1.2 at any time during the period of this Agreement, BioMed disputes, or directly or indirectly assists a third party to dispute the validity or ownership of the Compound Patents or the Research Patents;

15.1.3 BioMed is in breach of Clause 8.4, provided that BioMed has not been prevented from [***]; or

15.1.4 [***].

15.2 Each party may terminate this Agreement forthwith by giving written notice to the other party if:-

15.2.1 the other party commits a material breach of any of the terms of this Agreement (other than a breach of any terms of this Agreement which relate to performance of the Research Work) and, if the material breach is capable of remedy, fails to remedy it within [***] after being given a written notice containing full particulars of the breach and requiring it to be remedied; or

15.2.2 an order is made or a resolution is passed for the winding-up of the other party except in the case of a voluntary winding-up for the purposes of a scheme of reconstruction or amalgamation the terms of which have previously been approved in writing by both parties; or

15.2.3 an administration order is made, or a petition for such an order is presented, in respect of the other party; or

15.2.4 a Receiver (or Administrative Receiver) is appointed in respect of the other party or all or any of its assets; or

15.2.5 a voluntary arrangement is proposed under Section 1 of the Insolvency Act 1986 in respect of the other party; or

15.2.6 the other party ceases, or threatens to cease to carry on business; or

15.2.7 anything analogous to the events described in Clauses 15.2.2 to 15.2.6 occurs in any other jurisdiction.

15.3 BioMed may terminate this Agreement forthwith by giving written notice to ProTides if at any time during the period of this Agreement significant safety or ethical concerns arise regarding the use of the Compounds (or any of them) as active ingredients in pharmaceutical products.

15.4 For the purposes of Clause 15.2.1, a breach will be considered capable of remedy if the party in breach can comply with the provision in question in all respects other than as to time of performance (provided always that time of performance is not of the essence).

16. EFFECTS OF TERMINATION

16.1 Following expiry of the licences granted to BioMed in each country or territory or lawful termination of this Agreement by BioMed pursuant to Clause 15.2.1 (but only as a result of a material breach by ProTides of its obligations under Clauses 3.2, 11.1, 12.2.3, 14.2.1, or 14.3.1):

16.1.1 BioMed will within [***] calculate and pay to ProTides all outstanding sums due in respect of the relevant country or territory or under this Agreement up to the date of expiry or termination (as the case may be);

16.1.2 subject to fulfilling its obligations under Clause 16.1.1, BioMed will have the full right and entitlement to continue using the Agreement IP (on a non-

exclusive basis) for the purpose of developing, manufacturing, marketing, distributing and selling pharmaceutical products incorporating the Compounds as active ingredients in the relevant countries or territories in the case of expiry, without any obligation to make any further financial payment to ProTides and in the case of termination, subject to payment of [***] ([***])% of each payment due under Clause 10 as and when such payments would otherwise have fallen due but for the termination of this Agreement;

16.1.3 all sub-licences granted by BioMed prior to the date of expiry or termination (as the case may be) will remain in full force and effect and will not be affected by termination or expiry of this Agreement; and

16.1.4 BioMed will immediately assign back to ProTides all rights in and to the Compound Patents by promptly executing an assignment agreement in favour of ProTides on terms equivalent to those set out in Part 4 of the Schedule to this Agreement.

16.2 Following the lawful termination of this Agreement by ProTides pursuant to Clause 15.1 or 15.2 or by either party pursuant to Clause 17 or by BioMed pursuant to Clause 15.2 (other than a termination covered by Clause 16.1) or 15.3:

16.2.1 BioMed will within [***] calculate and pay to ProTides all outstanding sums due under this Agreement up to the date of termination hereof;

16.2.2 BioMed will cease using the Agreement IP (but in the case of the Compound Patents and the Research Patents, only for so long as the relevant Patents remain in force in each country or territory) in any manner whatsoever except that BioMed may for a period of [***] after the date of termination and subject to payment of the appropriate royalties to ProTides pursuant to Clause 10, continue to distribute and sell any unsold stocks of Products;

16.2.3 BioMed will assign to ProTides all rights in and to all intellectual property relating to the Compounds generated by or on behalf of BioMed utilising the Agreement IP, including the Compound Patents, Compound Divisionals, the Research Patents and the Research IP by promptly executing an assignment agreement in favour of ProTides on terms equivalent to those set out in Part 4 of the Schedule to this Agreement;

16.2.4 each Party will promptly return to the other Party, or at the other Party's request destroy, any confidential information disclosed to it by the other Party pursuant to this Agreement; and

16.2.5 each Sub-Licence Agreement will remain in full force and effect provided that:

(a) the sub-licence was not granted to an Affiliate of BioMed other than on an arm's length basis;

(b) the relevant Sub-Licensee continues to observe and comply with the terms of the relevant Sub-Licence Agreement; and

(c) BioMed promptly following a request from ProTides, such request to be received within a period of [***] following the date of termination, assigns to ProTides all of its rights and obligations under the Sub-License Agreement to ProTides or ProTides' nominee; and

16.2.6 except as set out in Clause 16.2.5, all Sub-Licence Agreements will terminate.

16.3 If BioMed terminates the Research Work pursuant to Clause 7.3 and/ or 7.6, and [***] following the date of such termination, BioMed is not actively developing [***], all right, title and interest in and to the Research IP, including the Research Patents, will be assigned to ProTides.

16.4 The accrued rights and liabilities of the parties under this Agreement will survive expiry or termination of this Agreement.

16.5 The terms of Clauses 1 (Definitions and Interpretation), 7.8.3, 10 (Financial Provisions)(in relation to sums outstanding as at the date of termination or expiry (including any instalments under Clause 10.4 relating to events which occurred prior to termination or expiry) and any payments due thereafter under Clause 16.1 only), 11.1.1, 11.2.2 and 11.3 (Intellectual Property), 13 (Warranties and Liabilities), 14

(Confidentiality), 16 (Effects of Termination), 17 (Force Majeure), 18 (Notices), 19 (General) and 20 (Governing Law) will continue in full force and effect regardless of the expiry or termination of this Agreement.

17. **FORCE MAJEURE**

17.1 Other than financial obligations under this Agreement which will not fall within the scope of this Clause 17.1, neither party will be deemed to be in breach of this Agreement, or otherwise be liable to the other party, by reason of any delay in performing or failure to perform any of its obligations under this Agreement, to the extent that such delay or failure is due to any event beyond the reasonable control of that party and of which it has notified the other party, including acts of God; acts, regulations and laws of any government; strikes or other concerted acts of workers; acts of vandalism; fire; floods; drought and other weather-related circumstances; earthquakes and other natural disasters; explosions; riots and other civil disturbances; wars (declared or undeclared); rebellion and sabotage; inevitable accidents; quarantine and customs restrictions; damage in factories or warehouses; and any lack of supply of raw materials, excipients, packaging or other supplies; and any time for performance hereunder will be extended by the actual time of delay caused by any such occurrence.

17.2 If either party is prevented by an event of force majeure from complying with its obligations under this Agreement for a continuous period in excess of [***] the other party may terminate this Agreement on giving to the party prevented from complying with its obligations [***] written notice and this Agreement will terminate on the expiry of the [***] notice period provided that the party prevented from complying with its obligations remains so prevented at the expiry of the notice period. The terms of Clause 16 (Effects of Termination) will apply to termination of this Agreement under this Clause.

18. **NOTICES**

18.1 Any notice required to be given under this Agreement will be served personally or by courier addressed to the relevant party as specified in Clause 18.2. Any notice so

given will be deemed to have been served if personally delivered, on the day and at the time of delivery or if served by courier, [***] after posting and in proving service it will be sufficient to produce a copy of the notice properly addressed with a receipt for delivery.

18.2 Notices to BioMed will be addressed to BioMed at the address given above or at such other address as it may have intimated in writing to ProTides for this purpose, and will be marked for the attention of Chief Executive Officer. Notices to ProTides will be addressed to ProTides at its address given above or at such other address as it may have intimated in writing to BioMed for this purpose, and will be marked for the attention of the Chief Executive Officer.

19. **GENERAL**

19.1 The relationship between the parties will be that of independent third parties and nothing in this Agreement will be construed or be deemed to imply that the relationship between the parties is that of agent and principal. Neither party will have any authority to hold itself out as an agent of the other party or make any statements, representations or commitments of any kind or take any other action which will be binding upon the other party without the other party's prior written consent.

19.2 Except as expressly set out in this Agreement, neither party will be entitled to assign or transfer, whether in whole or in part, any of its rights and/or obligations under this Agreement (including in the case of BioMed its right in and to the Assigned IP) without the prior written consent of the other party (which consent may be withheld for any or no reason). Notwithstanding the foregoing each party will be entitled to assign or transfer all of its rights and obligations under this Agreement:

19.2.1 in connection with an amalgamation with or a sale of all or substantially all of its business or assets to a third party; and

19.2.2 to an Affiliate,

without the consent of the other party provided that the third party enters into a deed of assignment under which it accepts all liability under this Agreement from the date of such assignment.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

19.3 No failure or delay by either party in exercising any right or remedy under this Agreement will operate as a waiver of such right or remedy nor will any single or partial exercise or waiver of any such right or remedy preclude its further exercise or the exercise of any other right or remedy.

19.4 This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof and supersedes and replaces all prior agreements, understandings, representations, writings and discussions between the parties whether written or oral in relation hereto. Nothing in this Agreement will, however, operate to limit or exclude any liability for fraudulent misrepresentations.

19.5 If any of the provisions of this Agreement are or become invalid, or are ruled illegal by any court of competent jurisdiction, or are deemed unenforceable under then current applicable law from time to time in effect during the period of this Agreement, it is the parties' intention that the remainder of this Agreement will not be affected thereby provided that the parties' rights under this Agreement are not materially altered. It is further the parties' intention that in lieu of each such provision which is held to be invalid, illegal or unenforceable, there will be substituted or added as part of this Agreement a valid, legal and enforceable provision which in effect will be as similar as possible to the effect of the original invalid, illegal or unenforceable provision.

19.6 To the extent there is any conflict between the terms of this Agreement and the terms of any Agreement executed pursuant to Clause 3.3 of this Agreement, the terms of this Agreement shall prevail.

20. **GOVERNING LAW**

This Agreement will be governed by the laws of England and the parties hereby submit to the exclusive jurisdiction of the English courts.

IN WITNESS WHEREOF this Agreement consisting of this and the preceding fifty one (51) pages, together with the Schedule, is executed as follows:

SIGNED by Hugh S. Griffith for and on behalf of **NUCANA BIOMED LIMITED** on the 13th October 2009 in the presence of this witness:

Witness

Full Name Director

Address

SIGNED by [***] for and on behalf of **CARDIFF PROTIDES LIMITED** on the 13th October 2009 in the presence of this witness:

Witness [***]

Full Name [***] Director

Address

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

This is the Schedule referred to in the Licence and Collaboration Agreement between NuCana BioMed Limited and Cardiff ProTides Limited.

SCHEDULE

PART 1
[***]

[***]

[***]

[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

[***]

[***]

[***]	[***]	[***]
[***]	[***]	[***]
[***]	[***]	[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

PART 2
TECHNICAL INFORMATION

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

PART 3
[***]

[***]

[***] [***]

[***] [***]

[***] [***]

[***] [***]

[***]

[***]

[***]

[***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

PART 4
ASSIGNMENT AGREEMENT

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.7

Execution Version

PATENT ASSIGNMENT

between

CARDIFF PROTIDES LIMITED

and

NUCANA BIOMED LIMITED

Dated: 15th March 2012

Ref: [***]

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

INDEX

Dundas & Wilson

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

THIS ASSIGNMENT is made on 15th March 2012

BETWEEN:

(1) **CARDIFF PROTIDES LIMITED**, a company incorporated under the Companies Acts (registered number 05455482) and having its registered office at Ty Myddfai, National Botanic Gardens of Wales, Llanarthney, Carmarthen, Dyfed SA32 8HZ (the "**Assignor**"); and

(2) **NUCANA BIOMED LIMITED,** a company incorporated under the Companies Acts (registered number 03308778) and having its registered office at Bassett House, 5 Southwellpark Road, Camberley, Surrey GU15 3PU (the "**Assignee**").

WHEREAS:

Pursuant to the Assignment, Licence and Collaboration Agreement (as defined below), the Assignor has agreed to assign to the Assignee, and the Assignee is willing to accept the assignment of the Assignor's entire right, title and interest in and to the Patents (as defined below) on the terms and conditions set out in this Assignment.

NOW IT IS AGREED as follows:

1. **DEFINITIONS AND INTERPRETATION**

1.1 In this Assignment (including the Recitals), unless the context otherwise requires:

Assignment, Licence and Collaboration Agreement means the Licence and Collaboration Agreement dated 13 October 2009 between Nucana Biomed Limited and Cardiff Protides Limited, as amended by the Variation Agreement dated [insert date] between the same parties;

Effective Date means the date of this Assignment;

Patents means:

(i) the patent applications listed in the Schedule;

(ii) all patent applications which claim priority from the patent applications referred to in (i) above or from any patent application from which the patent applications referred to in (i) above claim priority;

(iii) all patents granted pursuant to the patent applications referred to in (i) and (ii) above; and

(iv) all reissues, extensions, substitutions, continuations, divisions, supplementary protection certificates or extensions of term relating to the patent applications and patents referred to in (i) to (iii) above; and

Third Party means any party other than the Assignor and the Assignee.

1.2 In this Assignment unless the context demands otherwise:

1.2.1 words denoting the singular shall include the plural and vice versa;

1.2.2 words denoting a gender shall include all genders;

1.2.3 words denoting persons shall include corporations and all other legal entities;

1.2.4 a reference to a "Clause" shall be deemed to be a reference to the relevant clause of this Assignment;

1.2.5 the Clause headings are inserted for ease of reference and shall not affect the interpretation or construction of this Assignment or confer any right or obligations on either of the parties; and

1.2.6 references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include what most nearly approximates in that jurisdiction to the English legal term.

2. **ASSIGNMENT**

2.1 With effect from the Effective Date, the Assignor hereby assigns to the Assignee, and the Assignee hereby accepts the assignment of, the Assignor's entire, right, title and interest in and to the Patents including all statutory and common law rights.

2.2 The Assignor hereby undertakes:

2.2.1 at the reasonable request and cost of the Assignee to do all things and execute all such further documents, forms and authorisations as may be necessary to vest the Assignor's entire right, title and interest in and to the Patents in the Assignee absolutely, to register the Assignee' title as proprietor of the Patents at relevant patent offices anywhere in the world and to provide reasonable assistance in the resolution of any question concerning the Patents;

2.2.2 at the reasonable request and cost of the Assignee to provide to the Assignee such assistance as the Assignee may reasonably require, including but not limited to

executing all such further documents, forms and authorisations as may be required, to enable the Assignee to prosecute and maintain the Patents during the period from the Effective Date and thereafter until registration of the assignment of the whole property, right, title and interest in the Patents to the Assignee; and

2.2.3 not, following the date of execution of this Assignment and prior to any transfer back to the Assignor of the Patents pursuant to the Assignment, Licence and Collaboration Agreement or otherwise, to assign or purport to assign any rights in, to or over the Patents to any Third Party or grant or purport to grant to any Third Party any licence or other right or permission to use the Patents or otherwise do anything inconsistent with the assignment of the whole property, right, title, and interest in and to the Patents to the Assignee pursuant to this Assignment.

3. WARRANTIES AND LIABILITIES

3.1 Each party warrants to the other that it has full power and authority to enter into and to perform its obligations under this Assignment.

3.2 Other than as expressly set out in Clause 3.1 above and as contained in the Assignment, Licence and Collaboration Agreement, the Assignor gives no warranties, either express or implied, in relation to the Patents, including without limitation any warranty that the Patents are valid, will proceed to grant and/or whether exploitation of the Patents will infringe any third party rights.

4. ENTIRE AGREEMENT

4.1 This Assignment and the Assignment, Licence and Collaboration Agreement embody and set forth the entire agreement and understanding of the parties in respect of the assignment of the Patents and supersedes all prior oral or written agreements, understandings or arrangements relating to the assignment of the Patents. Neither party shall be entitled to rely on any agreement, understanding or arrangement which is not expressly referred to in this Assignment in respect of the assignment of the Patents.

4.2 Nothing contained in this Assignment or in any other document referred to or incorporated in it shall be read or construed as excluding any liability or remedy as a result of fraud.

5. COUNTERPARTS

5.1 This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, but all the counterparts shall together constitute one and the same agreement. This Assignment shall not take effect until it has been executed by both parties.

6. **GOVERNING LAW AND JURISDICTION**

This Assignment (and any dispute or claim relating to it, its enforceability or its termination) is to be governed by and construed and interpreted in accordance with English law. The parties irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Assignment.

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

This is the Schedule referred to in the foregoing Assignment of Patents made between Cardiff Protides Limited and Nucana Biomed Limited

PART 1
[***]

[***].

[***]

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Dundas & Wilson

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

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Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

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Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

This Deed is executed by the parties and is delivered and takes effect on the date at the beginning of this Deed.

Executed as a Deed by **Cardiff Protides Limited** acting by:

/s/ [***]

Signature of Director/Authorised Signatory

[***]

Print name of Director/Authorised Signatory

Executed as a Deed by **Nucana Biomed Limited** acting by:

/s/ H. Griffith

Signature of Director/Authorised Signatory

Hugh Griffith

Print name of Director/Authorised Signatory

Portions of this Exhibit, indicated by the mark "[***]," were omitted and have been filed separately with the Securities and Exchange Commission pursuant to the Registrant's application requesting confidential treatment pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.8

LEASE

between

DRUM INCOME PLUS LIMITED

and

NUCANA BIOMED LIMITED

Subjects: Suite 2 (East), Second Floor, Lochside House, 3 Lochside Way, Edinburgh Park,

Brodies LLP
15 Atholl Crescent
Edinburgh EH3 8HA
T: 0131 228 3777
F: 0131 228 3878
DX.ED10
Ref: EKW/DRU114.36
FAS 0468
2017

LEASE

between

DRUM INCOME PLUS LIMITED incorporated and registered in England and Wales with company number 09515513 whose registered office is at Level 13, Broadgate Tower, 20 Primrose Street, London EC2A 2EW (hereinafter called the **"Landlord"**)

and

NUCANA BIOMED LIMITED incorporated under the Companies Acts with company number 03308778 and having its registered office at 77-78 Cannon Street, London, England, EC4N 6AF (hereinafter called the **"Tenant"**)

The parties hereto have agreed and do hereby agree as follows:-

1 Definitions and Interpretation

1.1 **definitions**

In this Lease the following expressions shall have, where the context so admits, the following meanings respectively:

1.1.1 **"Building"** means the subjects more particularly described in Part 1B of the Schedule;

1.1.2 **"Car Parks"** means those parts of the Development used from time to time for car parking;

1.1.3 **"Common Parts"** means the common parts of the Building from time to time being those described in Part 2 of the Schedule as varied, altered, extended or restricted by the Landlord acting reasonably and in accordance with the principles of good estate management and exercising the rights reserved to the Landlord in terms of paragraph 12 of Part 4 of the Schedule including any extension thereof made by the Landlord in terms of paragraph 13 of Part 4 the Schedule;

1.1.4 **"Conduits"** means the pipes, sewers, channels, ventilation ducting, drains, rhones, conduits, gutters, lightning conductors, watercourses, wires, cables, aerials, subways, flues and all other conducting media, pumps, valves, manholes, meters and connections for the time being and from time to time in and passing through or serving the Building or Development some part thereof;

1.1.5 **"Development"** means the subjects more particularly described in Part 1C of the Schedule;

1.1.6 **"Duration of this Lease"** means the period referred to in Clause 2 and any continuation thereof whether by tacit relocation, by statute or for any other reason;

1.1.7 **"Entry Conditions"** means:

1.1.7.1 taking entry only after giving Requisite Notice,

1.1.7.2 taking entry where, having regard to the purpose of taking entry, there is no other reasonably practicable alternative,

1.1.7.3 making good all damage caused to the Premises and, provided the Tenant has taken reasonable steps to protect the same, to the Tenant's fittings and fixtures in the Premises and that as soon as reasonably practicable and to the Tenant's reasonable satisfaction,

1.1.7.4 ensuring that those taking access shall cause the minimum practicable disturbance to the Tenant's use of the Premises as permitted under this Lease,

1.1.7.5 ensuring that the Tenant's use of the Premises as permitted under this Lease is not materially adversely affected, and

1.1.7.6 ensuring that sufficient access to and egress the Premises is maintained at all times.

1.1.8 **"Full Cost of Reinstatement"** means an amount equal to the costs which would be likely to be incurred, including the costs of shoring up, demolition and site clearance, architects, surveyors and other professional fees and VAT in the case of the insurances to be effected under Clause 4 in reinstating the Development (including the Building) or any part thereof, at the time when such reinstatement is likely to take place having regard to any expected increases in building costs pending and during the period of reinstatement;

1.1.9 **"Insured Risks"** means risks in respect of loss or damage by fire, lightning, explosion, impact and (in peacetime) aircraft and other aerial devices and/or articles dropped therefrom, burst water pipes, riot and civil commotion and malicious damage, storm or tempest, flood and terrorism (but only for so long as and to the extent that the Landlord is able to obtain cover for the foregoing risks at normal and reasonable commercial rates and on normal and reasonable commercial conditions in the UK insurance market) and such other normal commercial risks against which the Landlord may from time to time (acting reasonably) deem it necessary to insure subject to such normal and reasonable commercial exclusions, limitations, excesses or conditions, as may be applied by the Insurers;

1.1.10 **"Insurers"** means a reputable UK insurance office or underwriters with whom the Landlord effects the insurances under Clause 4;

1.1.11 **"Interest"** means interest at the rate of four per centum per annum above the base lending rate for the time being of The Royal Bank of Scotland plc or in the absence of such a rate, such rate as is reasonably equivalent thereto;

1.1.12 **"Landlord"** means the Landlord and its successors in title;

1.1.13 **"Lettable Units"** means the Premises or any other unit of accommodation forming part of the Building let or designed for letting or capable of being let for exclusive use (whether or not the same are, at any particular time, actually let), and Lettable Unit shall be construed accordingly;

1.1.14 **"Loss of Rent and Service Charge"** means such a sum of money as the Landlord may estimate represents the loss of the rent and service charge payable hereunder in respect of the Premises for such period (being not less than three years and not more than five years) as may reasonably be required by the Landlord from time to time having regard to the likely period required for reinstatement of the Development (including the Building);

1.1.15 **"Management Premises"** means any administrative accommodation within the Building as shall be utilised for the management of the Development (including the Building);

1.1.16 **"Planning Acts"** means the Local Government and Planning (Scotland) Act 1982, the Planning and Compensation Act 1991, the Town and Country Planning (Scotland) Act 1997, the Planning (Listed Buildings and Conservation Areas)(Scotland) Act 1997, the Planning (Hazardous Substances)(Scotland) Act 1997 and the Planning (Consequential Provisions)(Scotland) Act 1997 and the Planning etc (Scotland) Act 2006;

1.1.17 **"Plant and Equipment"** means all electrical, mechanical and other plant, machinery and equipment for the time being and from time to time in use for common benefit of the Building (and which do not exclusively serve the Lettable Units) including, without prejudice to that generality, generators, service and/or passenger lifts, heating equipment, lighting equipment (including emergency lighting and automatic controls and equipment), ventilation equipment, waste compactors, air conditioning, cooling plant and equipment (serving the Common Parts), cleaning equipment, internal and public telephone systems, radio paging equipment, public address systems, fire precaution equipment, fire fighting equipment, fire alarm and/or security systems and equipment (including remote control and/or closed circuit television equipment), common television aerial and all connecting media and circuitry pertaining thereto and all other such equipment (including stand-by and emergency systems and equipment);

1.1.18 **"Premises"** means the second floor suite of office accommodation forming part of the Building known as Suite 2 (East) more particularly described in Part 1A of the

Schedule and includes where the context so admits, all additions, alterations and improvements thereto fixtures, fittings, plant, machinery and pertinents thereof and shall also include all landlord's fittings and fixtures from time to time in and about the same;

1.1.19 **"Quarter Days"** means 28 February, 28 May, 28 August and 28 November in each year and the expression "Quarter Day" shall be construed accordingly;

1.1.20 "**Related Company"** means in respect of a company any holding company or subsidiary company of the company or any subsidiary company of such holding company as the term "subsidiary company" and "holding company" are defined in Section 1159 of the Companies Act 2006;

1.1.21 **"Regulations"** means the regulations which may be imposed by the Landlord acting reasonably in the interests of and in accordance with the principles of good estate management in terms of paragraph 15 of Part 4 of the Schedule and notified in writing to the Tenant as the same may be varied from time to time and notified in writing to the Tenant in accordance with paragraph 16 of Part 4 of the Schedule;

1.1.22 **"Rent Commencement Date"** means 15 November 2017 being the day falling 3 months after the Date of Entry;

1.1.23 **"Requisite Notice"** means notice in writing to the Tenant given two Working Days before the Landlord requires entry to the Premises, save in an emergency when no notice is required;

1.1.24 **"Schedule"** means the schedule in nine parts annexed and executed as relative hereto;

1.1.25 **"Service Charge"** means the service charge as provided for in paragraph 3 of Part 5 of the Schedule;

1.1.26 **"Service Charge Percentage"** means the percentage equivalent to the proportion which the gross internal area of the Premises bears to the total gross internal area of all Lettable Units in the Building (including the Premises and any future extensions and additions to the Building) or, in the case of services provided for the benefit of a particular tenant or group of tenants or in the event of a material change of circumstances relevant to the allocation of Service Expenditure, such other percentage calculated on a demonstrably equitable basis as is fair and equitable in the circumstances, having regard to the nature of the service in question and the relative extent of the benefit derived from it or the change of circumstances, as indicated by written notice from the Landlord to the Tenant given at any time, the Landlord being required to act reasonably and in accordance with the principles of good estate management, so that any such substituted percentage will apply for the accounting year following said notice and for all later accounting years (unless subsequently varied in accordance with the terms hereof);

1.1.27 **"Service Expenditure"** means the expenditure defined in paragraph 2.5 of Part 5 of the Schedule;

1.1.28 **"Tenant"** means the Tenant and in substitution therefor its successors and permitted assignees;

1.1.29 **"Title Deeds"** means the title deeds and other documents referred to in Part 7 of the Schedule;

1.1.30 **"Uninsured Risk"** means subject as mentioned in the proviso hereto any one or more of the Insured Risks where loss or damage caused in whole or in part by the same is not the subject of insurance cover by the Landlord (because insurance against such Insured Risk or Insured Risks or against particular events giving rise to a claim thereunder is not then ordinarily available from a reputable insurer for the Development on normal and reasonable commercial terms) provided always that "**Uninsured Risk**" shall not include (unless in fact insured by the Landlord) loss or damage caused by reason of the act, default or omission of the Tenant their sub-tenants and/or their respective licensees and contractors or others for whom the Tenant is responsible in law;

1.1.31 **"VAT"** means Value Added Tax chargeable under the Value Added Tax Act 1994 as amended from time to time or under any rule, regulation, order or instrument authorised to be made by that Act as aforesaid or any similar tax amending or replacing such Value Added Tax; and

1.1.32 **"Working Day"** means from Monday to Friday inclusive throughout the year apart from:

1.1.32.1 any days which are official bank holidays throughout the whole of Scotland and/or England, and

1.1.32.2 any days which are official public holidays within the City of Edinburgh and / or London.

1.2 **interpretation**

1.2.1 This Lease shall be construed and interpreted in accordance with Clauses 1.1 and 1.2 hereof unless there be something in the subject or context inconsistent therewith.

1.2.2 Reference to this Lease shall be construed as reference to this Lease and the Schedule.

1.2.3 Words importing one gender include all other genders and words importing the singular include the plural and vice versa.

1.2.4 Where there are, at any given time, two or more persons included in the expression **"the Tenant"** obligations contained in this Lease which are expressed to be made by the Tenant shall be binding jointly and severally on them (but without implying continuing liability of an assignor following a permitted assignation of the tenant's interest under the Lease); where the Tenant is a firm or partnership (or persons trading as such) the obligations of the Tenant hereunder shall be binding jointly and severally on all persons who are or become partners of the firm at any time during the Duration of this Lease and their respective executors and representatives whomsoever as well as on the firm and its whole assets without the necessity of discussing them in their order and such obligations will subsist notwithstanding any change or changes which may take place in the firm or partnership or its name or by the assumption of a new partner or partners or by the retiral, bankruptcy or death of any partner or partners provided that the Landlord will not unreasonably withhold consent to the release of a retiring partner or the trustee in bankruptcy or the estate of a deceased partner from liability under this Lease if the Landlord is satisfied, acting reasonably, that the covenant of the remaining partners remains at a level not substantially less than it was prior to such retiral or bankruptcy or death.

1.2.5 Where any act by the Tenant or the Landlord is prohibited or not permitted the Tenant and the Landlord shall be deemed to be obliged not to knowingly permit or suffer such act to be done and to use reasonable endeavours to prevent such act being done by a person for whom they are responsible in law.

1.2.6 Reference to any consent or approval of the Landlord required hereunder shall be construed as also requiring the consent or approval of any heritable creditor or chargeholder of the Premises and/or the Development (including the Building) when the same shall be required except that nothing in this Lease shall be construed as implying that any obligation is imposed upon any heritable creditor or chargeholder not unreasonably to refuse any such consent or approval.

1.2.7 Reference to any consent or approval of the Landlord required hereunder shall be construed as one given in writing and not otherwise.

1.2.8 Reference to any right of the Landlord to have access to the Premises shall be construed as extending to all persons authorised by the Landlord (including agents, professional advisers, contractors, workmen and others) acting reasonably.

1.2.9 Reference to any statute includes reference to any statute amending or re-enacting the same and to any regulations or orders made thereunder.

1.2.10 Paragraph headings, the front cover, the index and the use of bold type shall be ignored.

1.2.11 To pay VAT on any sums due by the Tenant under this Lease in return for a valid VAT invoice addressed to the Tenant at the Premises or such other address as the Tenant notifies to the Landlord in writing.

2 Grant of the Lease and Rent Payable

The Landlord in consideration of the rents and other prestations hereinafter specified and subject to the provisions, conditions and declarations hereinafter contained HEREBY LETS to the Tenant (but excluding always assignees and sub-tenants legal or voluntary and creditors and managers for creditors in any form except where permitted in accordance with the terms of this Lease) ALL and WHOLE the Premises TOGETHER with (A) the exclusive use of the 15 car parking spaces, as more particularly described in Part 1 of the Schedule, and (B) the Common Rights set out in Part 3 of the Schedule, but in both cases excepting therefrom the Exceptions and Reservations referred to in Part 4 of the Schedule, and which Premises and the Common Parts the Tenant accepts as being in good, tenantable and substantial repair and condition and in all respects fit for the purpose for which they are let and that for the period from 15 August 2017 (hereinafter called **"the Date of Entry"**) notwithstanding the date or dates hereof until 14 August 2022;

DECLARING THAT for as long as the tenant under this Lease is Nucana Biomed Limited (company number 03308778) or a Related Company of the said Nucana Biomed Limited (**"Nucana"**), Nucana shall be entitled:

(A) to terminate this Lease as at and on 15 August 2020 (hereinafter called the "**Break Date**") on giving to the Landlord not less than 9 months' prior written notice to that effect (time being of the essence in this regard). In the event that Nucana exercises the foregoing right to break and terminate this Lease then within 20 Working Days of the Break Date the Landlord shall refund to Nucana all of the Rents paid by Nucana which relate to the period commencing on the Break Date on the basis that Nucana will receive a 1/365th part of the annual rent for each day during such period; and

(B) to extend this Lease on the same terms and conditions (but without this right of extension) for the period of five years commencing on 15 August 2022 and expiring on 14 August 2027 (inclusive) on giving to the Landlord not less than 9 months' prior written notice to that effect (time being of the essence in this regard). In the event that Nucana validly exercises the foregoing right to extend this Lease, the rent payable under this Lease shall be subject to review on 15 August 2022 in accordance with Part 8 of the Schedule and, for the period commencing on 15 August 2022 the rent payable by Nucana to the Landlord shall be the said reviewed rent.

For which causes and on the other part the Tenant binds itself and in substitution therefor its successors and assignees to pay to the Landlord:

2.1 without any written demand therefor the rent of SEVENTY THOUSAND AND TWO HUNDRED POUNDS (£70,200) STERLING per annum (exclusive of all, if any, VAT chargeable thereon) and that by equal quarterly payments in advance on the Quarter Days in every year, clear of all deductions whatsoever, the first of such payments shall be a proportionate payment for the period from the Rent Commencement Date until the day immediately preceding the immediate next Payment Day (notwithstanding the date or dates hereof) and shall be made on or before the Rent Commencement Date and the next payment shall be made on that Quarter Day for the quarter succeeding and so forth quarterly, termly and proportionally thereafter. Each payment of the said rent payable hereunder shall be made by banker's standing order in favour of such bank account as the Landlord may direct in writing from time to time and the Tenant shall forthwith complete and deliver to the Landlord all forms provided by the Landlord for that purpose and the Tenant shall not without the prior written consent of the Landlord vary, amend or cancel any banker's order form completed by it in pursuance of these provisions;

2.2 a yearly sum equal to:

2.2.1 a fair and equitable proportion of the premium or premiums incurred by the Landlord in complying with its insurance obligations under Clauses 4.3.1, 4.3.3, 4.3.4 and 4.3.7; and

2.2.2 the whole of the premium incurred by the Landlord in complying with its insurance obligations under Clause 4.3.2;

all payable within 10 Working Days of written demand, with the first payment being a proportionate payment in respect of the period from the Date of Entry to the date preceding the date of renewal of the policies concerned;

2.3 the Service Charge as defined in, at the times specified in and ascertained in accordance with Part 5 of the Schedule; and

2.4 within 10 Working Days of written demand all other monies payable to the Landlord under the provisions of this Lease,

the sums payable in accordance with clauses 2.1 to 2.4 (inclusive) are hereinafter together called the "**Rents**".

3 Tenant's Obligations

The Tenant HEREBY UNDERTAKES:

3.1 **rents**

To pay the Rents at the times and in the manner at and in which the same are respectively hereinbefore due and payable without any deduction and in the event that any of the Rents shall remain unpaid for more than 10 Working Days after the date upon which the same becomes due (whether formally demanded or not) to pay Interest from the date upon which the relevant Rents became payable until the date of payment.

3.2 **outgoings**

3.2.1 To pay, bear and discharge and perform all existing and future rates, taxes, duties, charges, assessments, impositions and outgoings and obligations whatsoever (whether parliamentary, parochial, local, national or of any other description) which now are or may at any time hereafter during the Duration of this Lease be charged, rated, levied, assessed or imposed upon the Premises or upon the owner or occupier in respect thereof except any tax payable in respect of any dealing or deemed dealing by the Landlord with its interest in the Premises or the Development or any taxes payable by the Landlord by reason of receipt of the annual rent in terms of this Lease (other than Value Added Tax on the rent).

3.2.2 To pay for all gas, water and electricity consumed and all telephone, facsimile and similar services used by the Tenant on the Premises during the Duration of this Lease (including all charges for hire of meters, telephones and other equipment in respect thereof) and to observe and perform at the Tenant's expense all present and future regulations and requirements of the gas and electricity, telephone and water suppliers concerning the installation and use of services in and exclusively serving the Premises.

3.3 **repairs and maintenance**

3.3.1 At all times throughout the Duration of this Lease at the expense of the Tenant well and substantially to repair, maintain, decorate and clean the Premises and every part thereof and all Conduits including sprinkler and fire alarm systems in so far as the same serve the Premises exclusively in good and substantial repair and condition and (whenever necessary for the purpose of ensuring that they are kept at all times in such condition) to renew, rebuild and reinstate the Premises and every part thereof; such obligations herein contained shall subsist regardless of the age or state of dilapidation of the Premises and irrespective of the cause of the damage, deterioration or destruction whether by a defect, latent or patent which may exist in the Premises at the Date of Entry or which may subsequently develop or from any other cause or source whatever; excepting from this obligation and any other provisions of this Lease (i) damage which is caused by one of the Insured Risks except to the extent that the insurance monies are rendered irrecoverable in whole or in part in consequence of any act, neglect or default of the Tenant or those for whom the Tenant is responsible at law (including any sub-tenant or other occupier) and such irrecoverable monies have not have been paid in full, cleared funds by the Tenant to the Landlords pursuant to Clause 3.16.4; (ii) damage which is caused by any Uninsured Risks; and (iii) damage which is caused by the act, neglect of default of the Landlord or those for whom the Landlord is responsible at law.

3.3.2 To keep the Premises in a clean and tidy condition and properly cleansed and in particular to clean the windows and the doors and all other glass in the Premises at least once per month or as otherwise reasonably required by the Landlord.

3.4 **internal decoration**

Without prejudice to the generality of the foregoing obligations, at least once in every five years of the Duration of this Lease calculated from the Date of Entry and (unless carried out in the immediately preceding 12 months period) in the last six months thereof howsoever determined in a good and proper and workmanlike manner all to the reasonable satisfaction of the Landlord to prepare and paint, polish or otherwise treat as the case may be all internal surfaces of the Premises usually or requiring to be so treated having first prepared such surfaces by stripping off, stopping and priming as may be necessary and to wash down all washable surfaces and to grain, marble or varnish any parts so treated all decorations being carried out with high quality materials and where painting is involved two coats being applied in addition to the priming coat such decoration in final redecoration cycle shall be executed in such colours, patterns and materials as approved by the Landlord (such approval not to be unreasonably withheld or a decision thereon unreasonably delayed).

3.5 **upkeep**

3.5.1 To cleanse and maintain and to keep cleansed and maintained and free from obstruction all Conduits serving the Premises exclusively excepting from this obligation and any other provisions of this Lease (i) damage which is caused by any Insured Risks except to the extent that the insurance monies are rendered irrecoverable in whole or in part in consequence of any act, neglect or default of the Tenant or those for whom the Tenant is responsible at law and such irrecoverable monies have not have been paid in full, cleared funds by the Tenant to the Landlords pursuant to Clause 3.16.4; (ii) damage which is caused by any Uninsured Risks; and (iii) damage which is caused by the act, neglect of default of the Landlord or those for whom the Landlord is responsible at law.

3.5.2 To replace by new articles of similar kind and quality, any fixtures, fittings or plant or equipment (other than tenant’s or trade fixtures and fittings) upon or in the Premises which shall become beyond economic repair, all to the reasonable satisfaction of the Landlord.

3.6 **notice of breach**

To permit the Landlord with or without workmen and others and appliances at all reasonable hours in the daytime during the Duration of this Lease after giving Requisite Notice to enter the Premises or any part thereof to view the state and condition of the same and of all defects, wants of reparation and breaches of obligations then and there found for which the Tenant is liable hereunder to give or leave on the Premises notice in writing to the Tenant and within 10 Working

Days after every such notice or such longer or shorter period of time as shall be appropriate and reasonable in the circumstances to commence and then diligently to proceed to repair and to make good the same according to such notice and the obligations herein contained to a standard compliant with the Tenant's obligations under this Lease AND if the Tenant shall fail to complete such works within two calendar months of the service of such notice or such other period as shall be reasonable and appropriate in the circumstances it shall be lawful (but without prejudice to the right of irritancy hereinafter contained) for the Landlord upon Requisite Notice to enter the Premises and to carry out or cause to be carried out all or any of the works referred to in such notice for which the Tenant is liable under this Lease and the properly and reasonably incurred cost of so doing and all expenses properly and reasonably incurred thereby shall be paid by the Tenant to the Landlord within 10 Working Days of written demand PROVIDED ALWAYS that when exercising its right under this Clause 3.6, the Landlord complies with Clauses 1.1.7.3, 1.1.7.4 and 1.1.7.5 of the Entry Conditions.

3.7 **entry**

To permit the Landlord at all reasonable times during the Duration of this Lease upon Requisite Notice to enter upon the Premises:

3.7.1 to take schedules or inventories of the fixtures and fittings, plant and machinery belonging to the Landlord or to be yielded up at the expiration or sooner determination of this Lease; and

3.7.2 with or without other persons for any other reasonably necessary purpose connected with the rights and obligations of the Landlord under this Lease and/or the interest of the Landlord in the Premises,

PROVIDED ALWAYS that when exercising its right under this Clause 3.7, the Landlord complies with the Entry Conditions.

3.8 **no other building**

Not to erect any new building or new structure of any kind at any time upon the Premises or any part thereof.

3.9 **title conditions**

To perform and observe all the real liens, burdens, conditions, restrictions, servitudes, agreements or others howsoever constituted, whether in the Title Deeds or otherwise which affect the Development, the Premises and/or the Common Parts or any part thereof from time to time so far as the same remain subsisting and capable of taking effect and to indemnify the Landlord from and against all actions, costs, expenses, claims and demands which may arise or be occasioned in respect of a breach by the Tenant or those for whom it is legally responsible of its obligations in this Clause 3.9.

3.10 **alterations**

3.10.1 Not at any time during the Duration of this Lease to cut, divide, alter, maim or permit or suffer to be cut, divided, altered, maimed or removed any of the walls, beams, columns or other structural parts of the Premises or make or permit or suffer to be made any change in or to the existing design or appearance of the Premises or to merge the Premises with any adjoining Lettable Unit nor except in accordance with plans and specifications previously submitted to and approved by the Landlord.

3.10.2 Not at any time during the Duration of this Lease to make any alterations to the interior of the Premises (not being alterations prohibited by the preceding sub-clause) without the previous written consent of the Landlord, such consent shall not be unreasonably withheld or a decision thereon unreasonably delayed for non-structural internal alterations which do not affect the external appearance of the Common Parts, subject always to the Tenant complying with all necessary consents of any competent authority and exhibiting detailed plans and specifications to the Landlord.

3.10.3 Not to interfere with or make any alteration, connection, disconnection or addition to the electrical installation or sprinkler and fire alarm systems and the sealed service duct (if any) located within the Premises and apparatus for heating, cooling, extracting or exchanging air of the Premises save in a manner previously approved by the Landlord (acting reasonably and such approval not be unreasonably withheld or a decision thereon unreasonably delayed) in writing and in accordance with the terms and conditions laid down by the Institution of Electrical Engineers and the regulations of the electricity and water supply authorities.

3.10.4 At all times following completion of any permitted alterations/additions to provide the Landlord with detailed plans, specifications and information reasonably required with regard to the value of such permitted alterations/additions.

3.11 **user**

Not to use the Premises or permit the Premises to be used, other than as high quality offices without the Landlord’s prior written consent provided always that the Landlord may only withhold consent where:

3.11.1 it is in the Landlord’s opinion prudent to do so in accordance with the principles of good estate management; or

3.11.2 the refusal of consent is in the Landlord’s opinion (acting reasonably) consistent with the use of the Building as a high quality office development.

3.12 **general user**

3.12.1 Not to do or permit or suffer to be done or remain upon the Premises or any part thereof anything which may be or become a legal nuisance, injury or damage to the Landlord or its tenants or the owners or occupiers of the Development (including the Building) or any property in the neighbourhood or which may emit noxious odours or smells or which may produce noise audible outside the Premises.

3.12.2 Not to use or permit or suffer the Premises or any part thereof to be used for any noxious or offensive trade or business nor for any illegal or immoral act or purpose and no sale by auction shall take place thereon.

3.12.3 Not to allow rubbish of any description to accumulate upon the Premises nor to discharge or permit or suffer to be discharged into any pipe or drain serving the Premises and/or the Development (including the Building) or any other property, any oil, grease or other deleterious matter or any substance which might be or become a source of danger or injury to the drainage system of the Premises and/or the Development (including the Building) or any such other property or any parts thereof.

3.12.4 Not to suspend or to permit or suffer to be suspended any excessive weight from the main structure of the Premises and/or the Building.

3.12.5 Not to overload or permit or suffer to be overloaded the floors, roofs or structures of the Premises and/or the Building or permit or suffer the same to be used in any manner which will cause undue strain or interfere therewith and not to install or permit or suffer to be installed any machinery on the Premises which shall be unduly noisy or cause dangerous vibrations nor to use or permit or suffer to be used the Premises or any part thereof in such manner as to subject the same to any strains beyond those which it is designed to bear.

3.12.6 Not to reside or sleep on the Premises or use any part thereof as a dwellinghouse.

3.13 **display of notices**

3.13.1 To ensure that no figure, letter, pole, flag, signboard, advertisement, inscription, bill, placard or sign whatsoever shall be attached to or exhibited in, on or to the Premises or the windows thereof so as to be seen from the exterior of the Premises without the previous consent of the Landlord (such consent not be unreasonably withheld or a decision thereon unreasonably delayed). The Tenant shall be entitled to have its signage, of a size determined by the Landlord, acting reasonably, included in the Landlord’s standard signage located within the ground floor reception of the Common Parts and provided for the use of all tenants within the Building.

3.13.2 PROVIDED THAT the Landlord's consent shall not be required in respect of signs, notices and posters stating the Tenant's name and business or profession (such sign, if the Landlord so requires, to be removed and any damage caused thereby made good by the Tenant at the end or sooner determination of this Lease) PROVIDED THAT if the Tenant at any time displays a sign or signs or any other display materials in accordance with this Clause 3.13.2 which the Landlord considers (acting reasonably) are detrimental to the visual aspects of the Premises and/or the Building or any adjoining property, the Landlord shall be entitled to require the Tenant to take down the sign or signs or display materials and if the Tenant fails to do so within a reasonable time period, the Landlord can enter the Premises and take down the sign or signs or display materials after giving Requisite Notice to the Tenant of its intention to do so and shall not be liable to make good any loss or make any compensation for such action but the Landlords shall use reasonable endeavours to minimise any damage caused to the Premises in the exercise its rights under this Clause 3.13.2.

3.14 **masts and wires**

Not to erect poles, masts or wires on the exterior of the Premises (whether in connection with a satellite dish or television apparatus or otherwise) without the previous consent of the Landlord (such consent not be unreasonably withheld or a decision thereon unreasonably delayed).

3.15 **obstruction of common parts**

3.15.1 That no road, forecourt, car park or other area or entrance hall, staircase, passageway, lift or other relevant part or parts of the Common Parts and/or the Development and/or other areas leading to or giving access to the Premises shall be damaged or obstructed or used in such manner as to cause in the opinion of the Landlord (acting reasonably) any legal nuisance or damage.

3.15.2 Not to display or hang or place or exhibit or sell or permit or suffer to be displayed or hung or placed or exhibited or sold any goods outside the Premises and not to obstruct or permit or suffer to be obstructed the Common Parts.

3.16 **vitiation of insurance**

3.16.1 Not to do or omit anything whereby any policy or policies of insurance for the time being in force in respect of or including or covering the Premises, and/or the Development (including the Building) against any of the Insured Risks may become void or voidable or whereby the rate of premium thereon may be increased and that the Tenant will at all times comply with the requirements of the Insurers of the Premises and/or the Development (including the Building) and will indemnify the Landlord against all expense and loss arising from a breach of this obligation.

3.16.2 Not to effect any insurance against any of the Insured Risks in respect of or relating to the Premises.

3.16.3 Upon becoming aware of the happening of any event or thing against which insurance has been effected by the Landlord or under the provisions hereinafter contained to give notice thereof to the Landlord.

3.16.4 That in the event of the Premises and/or the Development (including the Building) or any part thereof being destroyed or damaged by any of the Insured Risks and the insurance money under any insurance against the same effected thereon by the Landlord being wholly or partially irrecoverable by reason solely or in part of any act, neglect or default of the Tenant or those for whom the Tenant is responsible at law, and in every such case the Tenant will pay to the Landlord the whole of such irrecoverable insurance money in full, cleared funds (or a fair proportion thereof if only partially attributable to any act, neglect of default of the Tenant or those for whom the Tenant is responsible at law).

3.17 **statutory requirements**

Subject always to the proviso aftermentioned:

3.17.1 At all times during the Duration of this Lease at the Tenant's own expense to observe and comply in all respects with the provisions and requirements of any and every statute or prescribed or required by any public, local or other authority so far as they relate to or affect the Premises or the use of the tenant thereof or any additions or improvements thereto installed by the Tenant or the user thereof for any purposes or the employment therein by the Tenant of any person or persons or any fixtures, fittings, machinery or plant for the time being affixed thereto or being thereupon or used for the purposes thereof.

3.17.2 To execute all works and provide and maintain all arrangements which by or under any statute or by any government department, local authority or other public authority or duly authorised officer or court of competent jurisdiction acting under or in pursuance of any enactment are or may be directed or required to be executed provided or maintained at any time during the Duration of this Lease upon or in respect of the Premises or any addition or improvements thereto carried out by the Tenant or in respect of any user thereof or employment therein of any person or persons by the Tenant or fittings, fixtures, machinery or plant by the Tenant.

3.17.3 To indemnify the Landlord at all times against all costs, charges and expenses of or incidental to the execution of any works relating to the Premises or the provision or maintenance of any arrangements so directed or required as aforesaid and not at any time during the Duration of this Lease to do or omit in or about the Premises any act or thing by reason of which the Landlord may under any enactment incur or have imposed upon it or become liable to pay any penalty, damages, compensation, costs, charges or expenses.

3.17.4 Without prejudice to the foregoing generality to comply with at all times the provisions of the Planning Acts, Factories Act 1961, the Offices Shops and Railway Premises Act 1963, the Fire (Scotland) Act 2005 and the Health and Safety at Work Etc. Act 1974, the Construction (Design and Management) Regulations 2015 and the Equality Act 2010, all as amended from time to time insofar as the same applies to the Premises.

3.17.5 To provide the Landlord on request and at the Tenant's expense with copies of the fire certificate, the Health & Safety File and any certificates, consents, warrants, notices and other documentation relating to the Premises as the Landlord may require from time to time as evidence of the Tenant's compliance with this Clause 3.17.

3.18 **notice of claims**

Within 5 Working Days of the receipt of notice of the same to give full particulars to the Landlord of any permission, notice, order or proposal for a notice or order relevant to the Premises or to the use or condition thereof made, given or issued to the Tenant or the occupier of the Premises by any government department, local or public authority and if so required by the Landlord to produce such permission, notice, order or proposal to the Landlord and also without delay to take all reasonable or necessary steps to comply therewith and also at the reasonable request and at the expense of the Landlord to make or join with the Landlord in making such objections and representations against or in respect of any such notice, order or proposal as aforesaid as the Landlord shall acting reasonably deem expedient.

3.19 **alienation**

3.19.1 Not to assign, charge or sub-let or part with or share the possession or occupation of any part or parts (as distinct from the whole) of the Premises to or with any other person or corporation.

3.19.2 Not to part with or share possession of the whole of the Premises to or with any other person or corporation or permit any company or person to occupy the same save as provided below.

3.19.3 Not to sub-let the whole of the Premises at a fine or a premium (whether given or taken) nor at a rent less than the rent payable hereunder or the open market rent of the Premises at the time of such sub-lease (whichever shall be the higher).

3.19.4 Notwithstanding the foregoing provisions of this sub-clause, not to assign, charge or sub-let the whole of the Premises without the previous consent of the Landlord which consent will not be unreasonably withheld or a decision thereon unreasonably delayed in the case of a proposed assignee or sub-tenant of sound financial standing and demonstrably capable of fulfilling the obligations of the Tenant under this Lease or the intended sub-lease.

3.19.5 Upon the Landlord consenting to a sub-let of the Premises to ensure that the sub-lease shall contain:

3.19.5.1 an unqualified obligation on the part of the sub-tenant that the sub-tenant will not assign or charge or hold on trust for any other person or corporation any part or parts of the Premises (as distinct from the whole) and will not sub-let or (save by way of an assignation of the whole) part with or share possession of or hold on trust for any other person or corporation or permit any person or company to occupy the whole or any part of the Premises thereby sub-let,

3.19.5.2 an obligation on the part of the sub-tenant that the sub-tenant will not assign or sublet the whole of the Premises without the previous consent of the Landlord which consent shall not be unreasonably withheld or a decision thereon unreasonably delayed in the case of a respectable and responsible proposed assignee or sub-tenant of sound financial standing and demonstrably capable of fulfilling the obligations of the subtenant under the sub-lease,

3.19.5.3 such further obligations by the sub-tenant (which the Tenant hereby undertakes to enforce) as to prohibit the sub-tenant from doing or suffering any act or thing upon or in relation to the Premises by the sub-tenant which will contravene any of the Tenant's obligations in this Lease,

3.19.5.4 an irritancy provision on breach of any obligation on the part of the sub-tenant, and

3.19.5.5 provisions reserving the same rights of entry for the Landlord against the sub-tenant as the Landlord has against the Tenant in this Lease.

3.19.6 To undertake to the Landlord to enforce all obligations upon the sub-tenant under the sub-lease.

3.19.7 Not to grant any sub-lease except in a form to be first approved by the Landlord (acting reasonably and such approval not be unreasonably withheld or a decision thereon unreasonably delayed).

3.19.8 Not to waive or vary any provisions of any such sub-lease after it has been granted without the prior consent of the Landlord which shall not be unreasonably withheld or a decision thereon unreasonably delayed.

3.20 **payment of fees**

To pay to the Landlord within 10 Working Days of written demand the properly and reasonably incurred costs, charges and expenses (including solicitors', counsel's and surveyors' and other reasonably required professionals' costs and fees) including any Value Added Tax thereon (but only in exchange for a valid VAT invoice addressed to the Tenant in accordance with Clause 1.2.11) properly and reasonably incurred by the Landlord:

3.20.1 in the preparation and service of a schedule of want of repair or dilapidations at any time during this Lease or within 2 months after the termination thereof (but relating in all cases only to dilapidations which accrued before the expiry or earlier termination of the Duration and for which the Tenant is responsible in terms of this Lease);

3.20.2 in connection with the recovery of arrears of Rents properly due from the Tenant hereunder;

3.20.3 in connection with and relating to the enforcement of or procuring the remedy of any breach of any obligation of the Tenant hereunder notwithstanding that steps taken hereunder may be rendered unnecessary by the Tenant's subsequent compliance with the terms of this Lease; and

3.20.4 in respect of any application for consent required by this Lease including the approval of drawings and specifications, the inspection and supervision of works and the issue of any certificate and that whether or not such consent be granted or the application be withdrawn or not proceeded with (save where the same is not granted in circumstances where the Landlord is found to have acted unreasonably in withholding or delaying its consent when it is not entitled to do so under this Lease).

3.21 **the planning acts**

In relation to the Planning Acts:

3.21.1 At all times to comply in all respects with the provisions and requirements of the Planning Acts and all licences, consents, permissions, agreements and conditions (if any) already or hereafter to be granted, imposed or entered into thereunder or under any enactment repealed thereby so far as the same respectively relate to or affect the carrying out by the Tenant of any operations on the Premises or any part thereof or the Tenant's use of the Premises as permitted under this Lease.

3.21.2 During the Duration of this Lease so often as occasion shall require at the expense in all respects of the Tenant to obtain from the local authority, and/or the local planning authority, and/or the Scottish Government and/or the Secretary of State for Scotland (or other appropriate Minister) all such licences, consents and permissions (if any) as may be required for the carrying out by the Tenant of any operations on the Premises or the institution or continuance by the Tenant thereon of any use thereof as permitted

under this Lease which may constitute development or a material change of use within the meaning of the Planning Acts but so that the Tenant shall not make any application for planning permission without the prior consent of the Landlord which consent shall not be unreasonably withheld or a decision thereon unreasonably delayed but shall not be deemed to be unreasonably withheld if giving such consent would impose any financial liability on the Landlord.

3.21.3 To pay and satisfy any charge that may hereafter be imposed under the Planning Acts in respect of the carrying out or maintenance by the Tenant of any such operation or the institution or continuance by the Tenant of any such use as aforesaid.

3.21.4 Notwithstanding any consent which may be granted by the Landlord under this Lease not to carry out or make any alteration or addition to the Premises or any change of use thereof (being an alteration or addition or change of use which is prohibited by or for which the consent of the Landlord is required to be obtained under this Lease and for which a planning permission needs to be obtained) before a planning permission and building warrant (if necessary) therefor has or have been produced to the Landlord and acknowledged by it as satisfactory to it but so that the Landlord may refuse so to express satisfaction with any such planning permission or building warrant on the grounds that the period thereof or anything contained therein or omitted therefrom in the reasonable opinion of the Landlord would be or be likely to be materially prejudicial to the Landlord's interest in the Premises or the Development during the Duration of this Lease or following the expiration or determination thereof.

3.21.5 Unless the Landlord shall otherwise in writing direct to carry out before the expiration or sooner determination of this Lease any works stipulated to be carried out to the Premises as a condition of any planning permission or building warrant granted during the duration of this Lease as a result of a planning application submitted by the Tenant whether or not the date by which the planning permission or building warrant required such works to be carried out falls within the Duration of this Lease, except where the relevant planning permission is temporary or personal to the Tenant or otherwise will expire or cease to apply on determination of this Lease.

3.21.6 If and when called upon so to do to produce to the Landlord and as it may direct all such plans, documents and other evidence as the Landlord may reasonably require to satisfy itself that the provisions of this sub-clause have been complied with in all respects.

3.21.7 As soon as practicable on receiving the same to give to the Landlord notice of any order, direction, proposal or notice under the Planning Acts or relating to any of the matters referred to in this sub-clause hereof which is served upon or received by the Tenant in connection with or relating to the Premises and will produce to the Landlord if so required any such order, direction, proposal or notice as aforesaid as is in the possession of the Tenant and will not regarding such order, direction, proposal or notice as aforesaid take any action not approved by the Landlord (such approval not to be unreasonably withheld or a decision thereon unreasonably delayed).

3.21.8 Not without the consent of the Landlord to serve any notice under Part 5 of the Town and Country Planning (Scotland) Act 1997.

3.21.9 Not without the consent of the Landlord to enter into any agreement under Section 75 of the Town and Country Planning (Scotland) Act 1997.

3.21.10 The Lease and the Rents payable to the Landlord hereunder shall not determine by reason only of any change, modification or restriction of use of the Premises or obligations or requirements hereafter to be made or imposed under or by virtue of the Planning Acts.

3.22 **fire fighting equipment**

To keep the Premises sufficiently supplied and equipped with such fire fighting and extinguishing appliances as shall from time to time be required by law or by the local or other competent authority or as shall be reasonably required by the Landlord and such appliances shall be open to inspection and shall be maintained to the reasonable satisfaction of the Landlord and also not to obstruct the access to or means of working such appliances or the means of escape from the Premises in the case of fire or other emergency.

3.23 **to leave in good repair**

3.23.1 At the expiry or sooner termination of this Lease quietly to surrender the Premises to the Landlord free of the Tenant's occupation and free of occupation of any other occupier and that in good, tenantable and substantial repair and in accordance with the obligations on the part of the Tenant contained in this Lease having made good all damage caused by the removal of trade or tenant's fixtures or fittings and tenant's signage and having complied with the terms of any schedule of dilapidations served by the Landlord, all such matters being carried out in a proper workmanlike manner to the reasonable satisfaction of the Landlord.

3.23.2 At the entire cost of the Tenant to remove any alterations, additions, signs, fittings or fixtures which may have been made or installed by or on behalf of the Tenant or any sub-tenants subsequent to the Date of Entry and to restore the Premises to their condition prior to such alterations, additions, signs, fittings or fixtures having been carried out or installed, in a proper and workmanlike manner having regard to then best practices and to the Landlord's reasonable satisfaction.

3.23.3 If at the Date of Expiry the Premises shall not be in such good and substantial repair and condition as referred to in Clause 3.23.1, the Tenant shall carry out at its entire cost the works necessary to put the Premises into such repair and condition (the "**Removal Works**") and in default of the Tenant so doing within a reasonable time

period after the Date of Expiry having regard to the nature of the works, the Landlord shall be entitled to carry out the removal works at the entire cost of the Tenant (the proper and reasonable expenses incurred thereby being payable by the Tenant to the Landlord on demand with Interest from the date of written demand by the Landlord).

3.23.4 Whether the Removal Works are carried out by the Tenant or, in default by the Tenant as aforesaid, by the Landlord, there shall in addition be paid to the Landlord by the Tenant a sum equivalent to the loss of rent and Service Charge (at levels not less than those respectively payable in the period immediately preceding the Date of Expiry) suffered by the Landlord in respect of the period from the Date of Expiry until all such necessary Removal Works have been completed to the satisfaction of the Landlord such sum to be paid on a date being 10 Working Days from the date that all such works have been so completed.

3.24 **re-letting**

During the six months immediately preceding the determination of this Lease to permit the Landlord or its agents to affix upon any part of the Premises a notice as to the proposed re-letting or disposal of the Landlord's interest therein and to permit intending tenants or purchasers at reasonable times of the business day on Requisite Notice to view the Premises subject to (i) sub-clauses 1.1.7.3, 1.1.7.4 and 1.1.7.5 of the Entry Conditions; (ii) such notices not materially obscuring the windows or signs of the Premises; and (iii) such notices being removed forthwith upon conclusion of a legally binding contract for a sale or letting of the Premises.

3.25 **not to accumulate rubbish**

Not to allow trade empties or rubbish of any description to accumulate on or outside the Premises but to place all refuse or rubbish in proper receptacles therefor and not hang or place or to allow to be hung or placed any articles or other goods of any description outside the Premises or the entrance door thereof whether on any forecourt or otherwise or from the windows of the Premises nor expose outside or from the windows of the Premises any clothes, articles or other goods of any description.

3.26 **not to obstruct windows**

Not to stop up or obstruct any windows or light belonging to the Landlord nor permit any new window, light opening, doorway, path, drain or other encroachment or servitude to be made into, against or upon the Premises and to give notice to the Landlord of any such which shall be made or attempted and come to the Tenant's notice and at the reasonable request of the Landlord and at the joint cost of the Landlord and the Tenant to adopt such means and take such steps as may be reasonably required by the Landlord to prevent the same.

3.27 **to give notice**

Within one month after the execution of any assignation, charge, transfer or sub-lease or any transmission by reason of a death or otherwise affecting the Premises or any part thereof to produce to and leave with the Landlord or the agents for the time being of the Landlord a copy of the deed, instrument or other document evidencing or effecting such dealing or transmission.

3.28 **emergency warning systems**

To keep any emergency warning systems within the Premises free from obstruction and to ensure that all employees of the Tenant have detailed knowledge of the emergency procedure to operate in the event that the emergency warning system is used which procedure will be contained in the regulations therefor issued in writing from time to time by the Landlord (acting reasonably).

3.29 **notices of damage**

As soon as reasonably practicable after becoming aware of the same to give notice in writing to the Landlord of any defect in the state of the Premises and/or the Development (including the Building) which would or might give rise to any third party claim or to any obligation on the Landlord to do or refrain from doing any act or thing and indemnify and keep indemnified the Landlord from or against any loss, claims, actions, costs or demands arising from a failure to give such notice and at all times to display and maintain all proper notices (including the wording thereof) which the Landlord (acting reasonably) may from time to time display or require to be displayed at the Premises in relation to such liability.

3.30 **empty property**

In the event of the Premises or any separately rateable portion thereof having been unoccupied for a period immediately prior to the expiration or sooner determination of this Lease and the Tenant being allowed relief from rates in respect thereof, the Tenant shall make good any loss suffered by the Landlord by reason of the Landlord being refused such relief by the local authority in respect of the period subsequent to the Duration of this Lease.

3.31 **to pay costs of repair of conduits in emergencies**

In the event of emergencies only and the Tenant having breached its obligations under this Lease and, in particular, Clauses 3.33 and 3.35, to pay to the Landlord within 10 Working Days of written demand all proper and reasonable costs and expenses incurred by the Landlord in keeping in good, tenantable repair and condition such parts of the Conduits as are situated outside the Premises but are designed to serve exclusively the Premises.

3.32 **emergency stairways etc**

Not to allow or permit any emergency stairways or passages to be used by the Tenant, its servants, sub-tenants or licensees for purposes other than in an emergency or cause the same or access thereto to be obstructed or impeded in any way.

3.33 **not to harm drains**

Not to allow or suffer to pass into the Conduits any effluent or other substance which could cause any obstruction in or damage to the Conduits and in the event of any such obstruction or damage resulting from the Tenant's breach hereof to make good the same to the reasonable satisfaction of the Landlord.

3.34 **loading and unloading of goods**

3.34.1 Not to load or unload any goods or materials from any vehicles except when they are occupying the portion of the service road, car park, or common service areas provided for that purpose and for such period as shall be reasonably necessary for such loading or unloading and not to cause congestion of the said service road, car park, or within the said common service areas nor inconvenience to any other user thereof.

3.34.2 Not to permit any vehicles belonging to the Tenant or to any persons calling on the Premises expressly or by implication with the authority of the Tenant to stand on the service road, internal or circulation roads within the Car Parks or any pavement thereof.

3.34.3 To comply with such reasonable directions as may from time to time be given by the Landlord in writing for the regulation and direction of traffic in the service road, car park and common service areas.

3.34.4 Not to allow or permit any goods or articles to be conveyed to or from the Premises except through the entrances and service areas provided for the purpose.

3.35 **heating, cooling & ventilation**

3.35.1 Not to knowingly do or permit anything which interferes with the heating, cooling or ventilation of the Common Parts or any part of the Building or which imposes an additional load on the heating, cooling or ventilation plant and equipment.

3.35.2 To operate the ventilation equipment in the Premises which comprises part of the system for the air-conditioning or ventilation of the Common Parts or any part of the Building in accordance with any reasonable regulations for such purpose made by the Landlord (acting reasonably) and notified in writing to the Tenant from time to time.

3.36 **security**

To ensure that all entrances and exits from and to the Premises are held lockfast and secure outwith such times as an employee of the Tenant is not actually present in the Premises.

3.37 **not to prejudice servitudes**

3.37.1 Not by building or otherwise to interrupt or obstruct any right of the nature of a servitude, wayleave, privilege or encroachment enjoyed by any subjects nor to permit or obstruct any windows, lights, ventilators or any others belonging to the Premises nor to permit any new window, light, ventilator, passage, drainage or other encroachment or servitude to be made into or acquired against or over the Premises or any part thereof and if any such encroachment or servitude whatsoever be made or acquired or threatened to be made or acquired to give notice to the Landlord and at the cost of the Landlord do all such things as may be reasonably required or deemed proper for the purpose of preventing any new encroachment or servitude being made or acquired PROVIDED ALWAYS that if the Tenant omits or neglects to do all such things as aforesaid it shall be lawful for the Landlord or its agents, officers, servants and workmen to enter the Premises and to do the same subject to the Entry Conditions.

3.37.2 Not to give any third party any acknowledgement that the Tenant enjoys any such right over, under or into the Premises by the consent of such third party nor to pay any such third party any sum of money or to enter into any agreements with such third party for the purpose of inducing or obliging such third party to abstain from interrupting or obstructing such right and if any of the owners or occupiers of adjacent land or buildings does or threatens to do anything which interrupts or obstructs such right to give notice thereof to the Landlord.

3.38 **notices & defects**

To give notice as soon as practicable on becoming aware of the same to the Landlord of:

3.38.1 any defect in the Premises which might give rise to an obligation on the Landlord to do or refrain from doing any act or thing in order to comply with the provisions of this Lease or any duty of care that may be imposed upon the Landlord by statute or at common law and at all times to display and maintain all notices which the Landlord may from time to time reasonably require to be displayed at the Premises;

3.38.2 all notices, permissions, orders or proposals for a notice or order made, given or issued to the Tenant by any government department or local or public or other competent authority under or by virtue of any powers and to give to the Landlord a certified copy of each such notice, permission, order or proposal and if so required by the Landlord and at the joint cost of the Landlord and the Tenant to make or join in making such objections or representations in respect of any such notice, order or proposal as the Landlord may reasonably require; and

3.38.3 damage to or destruction of the Building or any part thereof whether the same shall have been caused by the occurrence of any of the Insured Risks or otherwise.

3.39 **temperature**

To keep the temperature in the Premises at a level sufficient to prevent the freezing of water and other pipes situated within the Premises.

3.40 **application for consent**

Upon making any application for any consent or approval which is required under this Lease the Tenant shall disclose to the Landlord such information as the Landlord may reasonably require.

3.41 **remedy breaches by sub-tenants**

In the event of a breach, non-performance or non-observance of any of the obligations, conditions, agreements and provisions contained or referred to in this Lease by any sub-tenants of the Tenant, upon discovering the same, to take and institute at its own expense all reasonably necessary steps and proceedings to remedy or procure remedy of such breach, non-performance or non-observance (without prejudice, however, to the Landlord's right to irritate this Lease on account of such breach, non-performance or non-observance).

3.42 **indemnity**

3.42.1 To free, relieve and indemnify the Landlord from and against liability in respect of any injury to or the death of any person, damage to any property, heritable or moveable, any interdict or court action, the infringement, disturbance or destruction (or alleged infringement, disturbance or destruction) of any right, servitude or privilege or otherwise by reason of or arising out of the repair, state of repair, condition of the Premises and all damage caused by any burst, overflow or stoppage of any Conduits exclusively serving the Premises (but only to the extent that the Tenant is responsible for such repair, state of repair or condition under this Lease) or any alteration or addition or improvement to the Premises by the Tenant or the use of the Premises or the Common Parts by the Tenant and from any act, omission or default of the Tenant, or those for whom they are respectively responsible at law in the implementation and observance of the obligations contained in this Lease and from all proceedings, costs, claims and demands of whatsoever nature in respect of any such liability or alleged liability.

3.42.2 Provided always that:

3.42.2.1 the Landlord shall use reasonable endeavours to mitigate any such liability, proceedings, costs, claims and demands resulting from such a breach by the Tenant;

3.42.2.2 where the Tenant is obliged to indemnify the Landlord in respect of any matter under this Lease the Landlord (i) shall, at the reasonable request of the Tenant, keep the Tenant fully informed of all material steps or proceedings which may give rise to any liability on the part of the Tenant under such indemnity; and (ii) shall have due and proper regard (without being required to implement the same) to any proper and reasonable representations made by the Tenant relating thereto; and

3.42.2.3 the foregoing indemnity shall not apply to the extent that (i) the liability is due to any act, default or negligence on the part of the Landlord or others for whom it is responsible in law; or (ii) the Landlord is indemnified by the insurances which it has effected or should have effected had it complied with its obligations under this Lease, except to the extent that the insurance monies are withheld due to the actions or omissions of the Tenant or anyone for whom the Tenant is responsible at law.

3.43 **requirements of insurers**

To comply in all respects with the terms and conditions and any other requirements affecting the Premises and the permitted use thereof contained in any insurance policy maintained in respect of the Premises and notified to the Tenant.

3.44 **regulations**

To observe, perform and comply with the Regulations.

4 Landlord's Obligations

The Landlord hereby undertakes:

4.1 **Landlord's warranty**

The Tenant shall and may peaceably and quietly hold and enjoy the Premises during the Duration of this Lease without any lawful interruption by the Landlord or any person rightfully claiming through, under or in trust for it.

4.2 **services**

The Landlord undertakes to the Tenant that, at all times during the Duration of this Lease and in accordance with the principles of good estate management, it shall use all reasonable endeavours to carry out or procure the carrying out of such of the services listed at Part 6 of the Schedule as the Landlord (acting reasonably and in accordance with the principle of good estate management) considers appropriate for the benefit of the Tenant and other tenants of the Development as a whole.

4.3 **insurance**

4.3.1 To pay to the Insurers the premiums for keeping the Development (including the Building and the Premises and all fixtures, permitted additions and alterations therein except tenant's trade fixtures) insured subject to such normal and reasonable commercial limitations or exclusions as the Insurers may impose and through such agency as the Landlord shall from time to time decide for the Full Cost of Reinstatement against loss or damage by the Insured Risks and that for the Duration of this Lease.

4.3.2 To insure against Loss of Rent and Service Charge.

4.3.3 To keep adequate insurances in respect of property owner's liability, third party liability and employer's liability in respect of the Development (including the Building).

4.3.4 To keep insured such of the Plant and Equipment as the Landlord from time to time reasonably deems appropriate (but only to the extent that such cover is not effected under Clause 4.2.1 hereof) against mechanical and electrical breakdown, explosion and third party risks and to effect staff insurance, staff vehicle insurance, Common Parts and contents insurance.

4.3.5 Notwithstanding the terms of Clauses 4.2.1 to 4.2.4 immediately above, the Landlord shall insure against the risks defined as the Insured Risks only so long as and to the extent to which the Landlord is able to obtain such cover at normal and reasonable commercial rates and on normal and reasonable commercial conditions.

4.3.6 To cause all monies received by virtue of any such insurance to be laid out in making good the items covered by such insurance and (except to the extent that such insurance is vitiated in whole or in part by any act, neglect, default or omission of the Tenant or those for whom the Tenant is responsible at law) to make up any shortfall between such insurance monies and the cost of such rebuilding and reinstating and making good.

4.3.7 Notwithstanding the terms of this Clause 4.2, to effect such other necessary insurances in respect of the Development (including the Building and the Common Parts), and the Plant and Equipment and the Landlord's interest therein as the Landlord shall from time to time deem appropriate (acting reasonably).

4.3.8 Upon reasonable request by the Tenant but not more often than once per calendar year, to produce or procure the production to the Tenant of evidence of such insurance and of payment of the last premium therefor.

4.3.9 The Landlord shall use reasonable endeavours to:

4.3.9.1 procure that the Insurers note the interest of the Tenant on the relevant policy (either specifically or generically); and

4.3.9.2 include in such policy a waiver of subrogation rights in favour of the Tenants (either specifically or generically),

provided always that "reasonable endeavours" shall not, in this context, include any obligation upon the Landlord to place or threaten to place its insurance cover with a different insurance company if the existing policy or proposed policy will be a block policy which covers the Development (including the Building) and at least one other property.

4.4 **reinstatement**

If either (i) the Premises, or (ii) the Development (including the Building and the Common Parts) or any part thereof on which the Premises depend for support, access or servicing (the "**Relevant Parts**"), are destroyed or damaged by any of the Insured Risks so as to render the Premises unfit for use and occupation as permitted by this Lease or inaccessible then unless and to the extent that payment of the insurance monies or any part thereof shall be refused in whole or in part by reason of any act or default of the Tenant or those for whom the Tenant is responsible at law, and the Tenant has not paid to the Landlord in full cleared funds such irrecoverable proportion attributable to such act or default, and subject to the Landlord being able to obtain any necessary planning consents and all other necessary licences, approvals and consents, the Landlord shall as soon as reasonably practicable lay out the net proceeds of such insurance (other than sums receivable in respect of Loss of Rent and Service Charge) towards rebuilding, repairing and reinstating the Development (including the Building, the Common Parts and the Premises) as soon as reasonably practicable and, as necessary, in accordance with the original plans, elevations and details thereof with such variations as may be necessary or in the Landlord's or its managing agent's opinion desirable having regard both to statutory provisions, bye-laws and regulations then in force and any planning approval necessary and also to building standards then prevailing to the intent that the Development (including the Building, the Common Parts and the Premises) shall be reconstructed so as to conform to the then current practice and to be substantially comparable to the Building (including the Common Parts and the Premises) as at the date of such damage or destruction and shall afford to the Tenant a substantially comparable area to that contained in the Premises and/or the Common Parts (as applicable) as at the date of damage or destruction.

4.5 **abatement of rent**

In case the Premises or any Relevant Parts or any part thereof shall at any time during the Duration of this Lease be destroyed or damaged by any of the Insured Risks so as to render the Premises unfit for occupation and use as permitted under this Lease or inaccessible and except to the extent that the policy or policies of insurance shall not have been vitiated or payment of the policy monies refused in consequence of some act or default of the Tenant or those for whom the

Tenant is responsible at law the Rents payable under Clauses 2.1 and 2.3 of this Lease, or a fair proportion thereof according to the nature and extent of the damage sustained, shall be suspended from the date of the damage or destruction until the earlier of (i) the date on which the Premises and the Relevant Parts shall be again rendered fit for occupation and use as permitted under this Lease and are again accessible or (ii) until the expiration of the period of Loss of Rent and Service Charge insured by the Landlord; and any dispute regarding the said abatement of rent shall be referred to the award of a single arbitrator to be appointed in default of agreement upon the application of either party by the President for the time being of the Scottish Branch of the Royal Institution of Chartered Surveyors in accordance with the provisions of the Arbitration (Scotland) Act 2010.

4.6 **termination**

If the Premises or the Relevant Parts or any part thereof are destroyed or damaged by any of the Insured Risks so as to render the Premises unfit for occupation and use as permitted under this Lease or inaccessible and are not repaired or reinstated in the manner provided for in Clause 4.3 within a period of 3 years from the date of such damage or destruction either party may terminate this Lease at any time after the expiry of the said period by giving not less than one month's written notice to that effect to the other party. In connection with the notice:

4.6.1 the date of termination of this Lease will be the date of service of the notice; and

4.6.2 all insurance monies will be paid to the Landlord and the Tenant will have no claim on the insurance monies immediately on the giving of the notice.

4.7 **Uninsured Risk damage**

4.7.1 If the Premises or any Relevant Parts are destroyed or damaged (whether in whole or in part) by any Uninsured Risk so as to render the Premises unfit for occupation and use as permitted under this Lease or inaccessible:

4.7.1.1 the rent and the Service Charge or a fair proportion of the rent and the Service Charge according to the nature and extent of the damage, shall cease to be payable until the Premises shall again be fit for occupation and use as permitted under this Lease and are again accessible; and

4.7.1.2 the Landlord may by notice in writing to the Tenant given at any time within twelve months after such destruction or damage elect whether or not to reinstate the Premises.

4.7.2 If the Landlord elects within such twelve month period to reinstate the Premises then:

4.7.2.1 the Landlord shall at their own cost (subject to the availability of all consents necessary to commence reinstatement in a form acceptable to the Landlord (acting reasonably)) reinstate the Premises (but not any tenant's fixtures and fittings) to the extent that is necessary to render the same fit for occupation and use as permitted under this Lease, and such destruction or damage shall be deemed for the purposes of the Landlord's obligation to reinstate to have been caused by an Insured Risk;

4.7.2.2 the Landlord shall from time to time on request supply to the Tenant their best estimate of the timetable for reinstatement; and

4.7.2.3 if the Premises are not repaired or reinstated in the manner provided for in Clause 4.7.2.1 within a period of 3 years from the date of such damage or destruction either party may terminate this Lease any time after the expiry of the said period by giving not less than one month's written notice to that effect to the other party and the date of termination of this Lease will be the date of service of the said notice.

4.7.3 If (pursuant to Clause 4.7.1.2 the Landlord elects not to reinstate the Premises (or if the Landlord fails within the specified twelve month period to make any election) then this Lease shall automatically terminate with effect from the date of such election or, as the case may be, the last date upon which such election could have been made.

4.7.4 If the Premises or the Relevant Parts are destroyed or major damage caused to them so as to render the Premises unfit for occupation or use as permitted under this Lease by an Uninsured Risk and:

4.7.4.1 such destruction or damage occurs during the last three years of this Lease then the Landlord shall be entitled to determine this Lease on giving not less than six months' prior written notice to the Tenant; or

4.7.4.2 the Landlord has not notified the Tenant in writing that it has obtained all consents necessary to commence reinstatement in a form acceptable to the Landlord (acting reasonably) within two years of such damage or destruction then either party shall be entitled to determine this Lease on giving not less than one month's prior written notice to the other,

this Lease will then determine on the date specified in the relevant notice, but without prejudice to the rights of any party against any other for any antecedent breach of its obligations under this Lease.

4.7.5 Upon determination of this Lease, the Tenant shall ensure that the whole of the Premises are given to the Landlord free of the Tenant's occupation and free of occupation of any other occupier.

4.7.6 If this Lease is determined then the Landlord shall be entitled to retain the whole of the insurance monies for their absolute use and benefit.

4.8 **lease to continue in force**

Unless otherwise specifically provided herein this Lease shall not be terminated by reason of any damage to or destruction of the Premises or the Common Parts, or any part thereof, however the same be caused, but shall nevertheless remain in full force and effect for the Duration of this Lease, notwithstanding any rule of law to the contrary.

5 Provisos

Provided always and it is hereby agreed and declared as follows:

5.1 **irritancy**

5.1.1 Notwithstanding and without prejudice to any other remedies and powers herein contained or otherwise available to the Landlord if the Rents payable hereunder or any part thereof shall be unpaid for 14 days after becoming payable (whether formally demanded or not) or if there be any other breach, non-observance or non-performance by the Tenant of any of its other obligations under this Lease or if the Tenant for the time being hereunder being a company shall enter into liquidation whether compulsory or voluntary (other than a voluntary liquidation of a solvent company for the purpose of amalgamation or reconstruction) or pass a resolution for winding up or suffer a receiver to be appointed or have an administration order made against it or being an individual or being more than one individual any one of them shall become bankrupt or notour bankrupt or apparently insolvent or sign a trust deed for creditors or suffer any diligence to be levied on its, their or his goods then and in any such case the Tenant shall at the sole option of the Landlord forfeit all right and title under these presents and if such option of irritancy be exercised this Lease shall become ipso facto null and void and that without the necessity of any declarator process of removal or other process at law and the Premises shall thereupon revert to the Landlord who shall be entitled to enter the Premises and repossess and enjoy the same as if this Lease had never been granted but without prejudice to the Landlord’s right of action in respect of any antecedent breach of the Tenant’s obligations herein contained;

5.1.2 Provided always that in the case of a breach, non-observance or non-performance by the Tenant of any of its undertakings contained in this Lease which is capable of being remedied (albeit late), the Landlord shall not exercise any such option of irritancy unless and until it shall first have given written notice to the Tenant and to any insolvency representative in respect of the Tenant’s interest in this Lease specifying such breach, non-observance or non-performance and requiring the same to be remedied and intimating its intention to exercise its option of irritancy in the event of said breach, non-observance or non-performance not being remedied within such period as shall be stated in the notice (being such reasonable period of time as the Landlord shall stipulate in the notice as being practicable in all the circumstances, which in the case of a breach being the non-payment of rent or any other monetary

sum (other than any monetary sum demanded further to a schedule of dilapidations issued in accordance with the terms of this Lease), however, shall be specified by the Landlord shall be a period of not less than 14 days) and the Tenant or any insolvency representative shall have failed to remedy the same within said period; and

5.1.3 in the case of the Tenant being a limited company going into liquidation (other than for the purposes of reconstruction or amalgamation as aforesaid) or having a receiver, administrator or administrative receiver appointed or, in the case of the Tenant being an individual or individuals, having a trustee or curator or judicial factor appointed under a trust deed or by order of a Court (each of the said parties being herein called the **"Insolvency Representative"**) then, and in any such event, the Landlord shall allow the Insolvency Representative a period of six months from the date of the appointment of such Insolvency Representative in which to dispose of the Tenant's interest in this Lease and shall only be entitled to exercise its option of irritancy on the grounds of the appointment of the Insolvency Representative if the Insolvency Representative shall have failed to dispose of the Tenant's interest by the end of the said period, provided always that the Insolvency Representative shall within 28 days of appointment accept personal liability in terms satisfactory to the Landlord (acting reasonably) for payment of the Rents (whether due in respect of a period occurring before or after the date of appointment of such Insolvency Representative) and for the performance of all of the other obligations of the tenant in terms of this Lease and that from the date of the appointment of such Insolvency Representative to the date of disposal or irritancy including settlement of any arrears of rent and the performance of any outstanding obligations which may subsist at the date of the appointment of such Insolvency Representative and during the said period of six months the Insolvency Representative shall be entitled to the same rights as the Tenant hereunder, save for the provisions of Clause 5.1.1.

5.2 **service of notices**

5.2.1 All notices must be in writing.

5.2.2 Any demand or notice requiring to be made given to or served on the Tenant shall be duly and validly made, given or served if sent by the Landlord or its agents by recorded delivery post by pre-paid letter addressed to the Tenant (and if there shall be more than one of them then any of them) at the Premises and at its registered office.

PROVIDED THAT for so long as the Tenant is Nucana, all notices served on the Tenant shall be served at (a) the Premises and (b) at its registered office, in both cases marked for the attention of Hugh Griffith.

5.2.3 Any notices required to be given to the Landlord shall be well and sufficiently given if sent through the recorded delivery post by pre-paid letter addressed to the Landlord at its registered office or (if the Landlord is an individual) the Landlord's last known address.

5.2.4 Any demand or notice sent by post as aforesaid shall be conclusively treated as having been made, given or served forty-eight hours after the date of posting.

5.3 **tenant's acknowledgement**

Nothing in this Lease shall imply or warrant that the Premises may in accordance with the Planning Acts be used for the purpose herein authorised and the Tenant hereby acknowledges and admits that the Landlord has not given or made at any time any representation or warranty that any such use is or will be or will remain a permitted use under the Planning Acts.

5.4 **exclusion of compensation**

Notwithstanding anything herein contained or consequent hereto and in derogation thereof the Landlord and all persons authorised by it shall have power, without obtaining any consent from or making any compensation to the Tenant, to deal as it or they may think fit with the Development and any part thereof, any of the lands, buildings or parts of buildings adjacent, adjoining or near to the Premises or any part thereof and to erect or suffer to be erected thereon or on any part thereof any building whatsoever and to make any alterations or additions and carry out any demolition or rebuilding whatsoever which it or they may think fit or desire to do to such lands or buildings or any part or parts thereof; PROVIDED THAT (i) nothing in this Clause 5.4 or otherwise in terms of this Lease shall permit the Landlord to diminish or adversely affect the rights granted to the Tenant under this Lease; and (ii) without prejudice to the foregoing generality, the Landlord shall ensure that such buildings, alterations or additions shall not affect or diminish the light or air which may now or at any time during this Lease be enjoyed by the Tenant or the tenants or occupiers of the Premises to a material extent.

5.5 **waiver**

The demand for and/or the acceptance of Rents by the Landlord or its agents shall not constitute and shall not be construed to mean a waiver of any of the obligations on the part of the Tenant herein contained or of the penalty attached to the non-performance thereof.

5.6 **no liability in damages**

The Landlord shall not in any circumstances incur any liability to the Tenant:

5.6.1 for any damage loss or expense to the Premises or to any of the goods, persons or property of the Tenant except to the extent that:

5.6.1.1 the Landlords are indemnified in terms of the insurances effected in terms of this Lease and the Tenants or those for whom they are responsible at law have not caused the said insurance monies to be vitiated or withheld in whole or in part,

5.6.1.2 the liability is due to negligence on the part of the Landlord, its servants, employees, agent, independent contractors or others for whom it is responsible in law; or

5.6.1.3 the liability is due to breach by the Landlord of any of its obligations under this Lease; and

5.6.2 for any loss, damage or expense sustained by the Tenant by or through any defect, decay, inadequacy, want of repair or decoration or otherwise in the Premises or the Common Parts or in or arising from the choking, bursting, overflow, leakage, stoppage or failure of any gas, water or soil pipes, ducts and cisterns or of the drains, sewers, gutters, rhones or conductors or the failure, fusing or breakdown of any electric wires or appliances or other service media or for any loss, damage or expense caused to the Tenant through any act or omission of the Landlord, the proprietors, tenants or occupiers of any Lettable Units or any adjoining or neighbouring properties or from any other cause or source whatever, except to the extent that (i) the Landlords are indemnified in terms of the insurances effected in terms of this Lease; (ii) the liability is due to negligence on the part of the Landlord, its servants, employees, agent, independent contractors or others for whom it is responsible in law; or (iii) the liability is due to breach by the Landlord of any of its obligations under this Lease.

5.7 **failure to perform obligations**

The Landlord shall not in any event be liable to the Tenant in respect of any failure of the Landlord to perform any of its obligations to the Tenant hereunder whether expressed or implied if it shall be prevented, hampered or restricted in any way from so doing by any matter not within the reasonable control of the Landlord (excluding the Landlord's financial circumstances), provided that the Landlord shall use all reasonable endeavours to resume performance of its obligations as soon as reasonably practicable.

5.8 **statutory compensation**

The Tenant shall not be entitled to claim any compensation from the Landlord on quitting the Premises or any part thereof.

5.9 **exclusion of rights not granted**

Nothing herein contained shall operate expressly or impliedly to confer upon or grant to the Tenant any servitude, right or privilege other than any expressly hereby granted.

5.10 **value added tax**

Where by virtue of any of the provisions of this Lease the Tenant is required to pay or repay to the Landlord or to any other person or persons any cost, fee, charge, expense or other sum in respect of the supply of any goods or services by the Landlord or any other person or persons, the Tenant shall also be required to pay and shall keep the Landlord indemnified against the amount of any VAT which may be chargeable in respect of such supply but only in return for a valid VAT invoice properly addressed to the Tenant.

5.11 **arbitration**

Any arbitrator appointed under this Lease will be appointed jointly by the Landlord and the Tenant or, if the parties fail to agree on the appointment, then either the Landlord or the Tenant may apply to the Chairman or other senior office holder for the time being of the Scottish Branch of the Royal Institution of Chartered Surveyors to appoint an arbitrator.

6 Jurisdiction

This Lease shall be interpreted in accordance with the Law of Scotland and any dispute, difference or question of any kind which may arise between the parties shall be determined in accordance with the Law of Scotland.

7 Registration

The parties consent to registration hereof for preservation and execution: IN WITNESS WHEREOF these presents consisting of this and the [32] preceding pages together with the schedule are executed as undernoted:

FOR AND ON BEHALF OF THE SAID DRUM INCOME PLUS LIMITED BY BRYAN SHERRIFF, ATTORNEY, PURSUANT TO POWER OF ATTORNEY BY DRUM INCOME PLUS LIMITED DATE 15TH JULY 2016

signature of director/witness	signature of Bryan Sherriff
full name of above (print)	place of signing
	date of signing
address of witness	

FOR NUCANA BIOMED LIMITED

signature of director/authorised signatory/witness	signature of director/authorised signatory
full name of above (print)	full name of above (print)
	date of signing
address of witness	place of signing

THIS IS THE SCHEDULE REFERRED TO IN THE FOREGOING LEASE BETWEEN DRUM INCOME PLUS LIMITED AND NUCANA BIOMED LIMITED

SCHEDULE

PART 1A

The Premises

ALL and WHOLE that second floor office suite known as Suite 2 (East) forming part of the Building, shown coloured brown and outlined red on the Premises Plan forming Part 9A of this Schedule and which includes:

1 the paint, paper, plaster and other decorative finishes applied to the interior of any wall of the structure of the Building which forms a boundary of the suite but (subject to the terms of paragraph 5 below) not any part of such walls of the suite;

2 the floor finishes , including screeds, so that the lower limit of the suite shall include such finishes and screed but shall not extend to anything below them;

3 the ceiling finishes so that the upper limit of the suite shall include such finishes but shall not extend to anything above them other than the underside of the structure to which a ceiling finish of plaster and/or the like or supports for a suspended ceiling finish is/are applied or fixed thereto;

4 the entirety of any non-loadbearing internal walls or partitions within the suite;

5 the inner half severed medially of any of the walls (so far as they are internal, non-loadbearing and so far as they are not walls of the structure of the Building) dividing the suite from other parts of the Building but excluding any structural pillars or columns located in or adjoining such walls and also excluding structural pillars or columns within the suite;

6 the windows, the window frames, the doors, the door frames and all plate glass therein;

7 all additions and improvements to the suite carried out throughout the Duration of the foregoing Lease including any false ceiling;

8 all Landlord’s fixtures, fittings, plant, machinery, apparatus (including fire detection and alarm systems) serving the Premises exclusively and appurtenances and all additions thereto (other than the Tenant’s trade fixtures and fittings); and

9 all pipes, wires, cables, conduits, trunking, drains, meters and any other service media exclusively serving the Premises.

TOGETHER WITH the right to the exclusive use of 15 car parking spaces within the Car Parks together with access to and from the Car Parks to and from the Premises, as such spaces may be determined by the Landlord and intimated in writing to the Tenant from time to time, which 15 car parking spaces at the

Date of Entry are shown outlined red on the Car Park Plan forming Part 9C of this Schedule. Declaring that the Landlord shall be entitled to alter the location of the spaces to be used by the Tenant in terms of the foregoing Lease at any time on giving to the Tenant no less than 1 week's written notice to that effect,

PROVIDED THAT (a) the Tenant will always have the exclusive use of 15 car parking spaces within the Car Parks; and (b) the Landlord shall not permanently relocate the Tenant from spaces numbered 1-4 (inclusive) on the Car Park Plan unless required to do so to comply with statutory, local authority regulations, any planning or building control permissions or consents affecting the Development or for another such reason out with the Landlord's reasonable control (but excluding the Landlord's financial circumstances).

PART 1B

ALL and WHOLE the building known as Lochside House, 3 Lochside Way, Edinburgh, EH12 9DT and forming part of the Development.

PART 1C

ALL and WHOLE the whole subjects and others known as and forming Site G2, 3 Lochside Way, Edinburgh, EH12 9DT being the whole subjects registered in the Land Register of Scotland under Title Number MID70754 and shown outlined red on the Development Plan forming Part 9B of this Schedule.

PART 2

Common Parts

The parts and pertinents of the Development (including the Building) as first constructed, or thereafter extended, erected or altered by the Landlord from time to time (acting reasonably), under exception of the Premises and any other Lettable Units, declaring that without prejudice to the foregoing generality, the Common Parts shall include:

1 the structure, foundations, floors, floor slabs, external and internal walls (so far as not part of any Lettable Units), ceilings and glazing and all floor, wall and ceiling and other finishes of the escape, service and fire corridors, common lift shafts, the structure surrounding common stairs and stairs themselves of the Building including without prejudice to the said generality the roofs of all or any of the foregoing and all entrance and exit doors thereto and therefrom;

2 the toilets, offices and stores and all other utilities provided from time to time for public or common service of and within the Building;

3 the whole Car Parks, access and service roads, yards and loading areas within the Development;

4 all pedestrian walkways, cycle lanes, entrance malls, passageways and stairways and other pedestrian and other common areas forming part of the Development (including the Building) as the same may be varied, altered or extended pursuant to the provisions of Part 4 of the Schedule;

5 all walls, fences and other erections or boundary demarcations whatsoever which form the boundary from time to time of the Development;

6 the Conduits;

7 the Plant and Equipment;

8 the Management Premises within the Building; and

9 all hard and soft landscaped areas forming part of the Development and not forming part of any Lettable Units as the same may be varied, altered or extended pursuant to the provisions of Part 4 of the Schedule.

PART 3

Common Rights

The Landlord grants to the Tenant (in common with the Landlord and other occupiers and tenants of the Development (including the Building) or their agents and all other persons from time to time duly authorised by the Landlord (acting reasonably) for that purpose, but only to the extent so entitled or authorised), the following rights:

1 Passage of utilities

The free passage of ventilation, heating, water, soil, gas, electricity and drainage, air and telephone and other services in and through those parts of the Conduits serving inter alia the Premises, provided that the Tenant shall not knowingly use or attempt to use or permit the use of any part of the Conduits to an extent which is in excess of the capacity it is designed to bear.

2 Access to other parts of the Building

To enter upon any part of the Common Parts immediately adjoining the Premises (without obstructing such part) upon first obtaining the prior written consent of the Landlord (which consent shall not be unreasonably withheld or a decision thereon unreasonably delayed) for the purpose of cleansing, inspecting, repairing, maintaining, or renewing the whole or any part of the Premises (to the extent that such maintenance, repair et cetera cannot practicably be carried out from within the Premises), subject to the Tenant:

2.1 being bound to exercise such right in a manner as will cause the least practicable inconvenience and disturbance to the Landlord and neighbouring proprietors or occupiers of the Development (including the Building); and

2.2 making good all damage thereby occasioned as soon as reasonably practicable,

in both cases to the reasonable satisfaction of the Landlord.

3 Right of support

Right of support, shelter and protection from the adjoining and adjacent parts of the Building.

4 Common Parts

A right in common with the other tenants and occupiers of the Building and the Development to use the Common Parts insofar as is reasonably required for the Tenant to enjoy beneficial use and occupation of the Premises (including access to and from the Premises and to and from the Car Parks) as permitted in terms of this Lease, subject to the Tenant complying with the Regulations.

PART 4

Exceptions and Reservations

The following rights and reservations are excepted and reserved in favour of the Landlord and its tenants and the proprietors/tenants of any adjoining or neighbouring land and/or Lettable Unit and all other persons authorised by the Landlord or having the like rights:

1 Passage of utilities

The free and uninterrupted passage of and running of ventilation, heating, water, soil, drainage, gas, electricity and telephone and other services in and through the Conduits with the right to construct and maintain new services for the benefit of any adjoining or neighbouring land and/or premises (provided that where such new Conduits constructed through the Premises they may only be constructed along such line and in such location as the Tenant may agree in writing, such agreement not to be unreasonably withheld or delayed) and the right to repair, maintain and renew such existing and new services and the right at any time but (except in an emergency) upon Requisite Notice to enter (or in an emergency or after the giving of Requisite Notice in the Tenant's absence to break and enter) the Premises PROVIDED THAT the Landlord shall make good any damage caused to the Premises as soon as reasonably practicable but the Landlord being under no liability to pay compensation and shall otherwise comply with the Entry Conditions.

2 No restriction on adjoining property

The right to build, rebuild or execute any other works upon any adjoining or neighbouring land and/or premises in such manner as the Landlord or the person exercising such right may think fit PROVIDED THAT (i) such works shall not materially diminish or adversely affect the rights granted to the Tenant under this Lease; (ii) without prejudice to the foregoing generality, the Landlord shall ensure that such buildings, alterations or additions shall not affect or diminish the light or air which may now or at any time during this Lease be enjoyed by the Tenant or the tenants or occupiers of the Premises to a material extent; but the Landlord being under no liability to pay compensation; (iii) no part of the costs of any such building or works shall be borne by the Tenant; and (iv) if entering the Premises for the exercise of the rights under this paragraph 2, the Landlord shall comply with the Entry Conditions.

3 Right to use Conduits and Plant and Equipment

The right to use all Conduits and Plant and Equipment within the Premises and to connect with or otherwise use the same provided that:

3.1 the Landlord shall not use or attempt to use any part of the Conduits and Plant and Equipment within the Premises to an extent which is in excess of the capacity they are designed to bear; and

3.2 as from the date of taking into use and only if the Landlord has taken the said Conduits and Plant and Equipment into use for its sole, exclusive benefit and not for either:

3.2.1 carrying out of its obligations under this Schedule or the foregoing Lease, or

3.2.2 granting the said use to a third party,

the Landlord shall contribute a fair and equitable proportion of the expense of maintaining, repairing or renewing the same.

4 Entry for repair

Subject to the Entry Conditions, the right at any time but (except in an emergency) after giving Requisite Notice to enter (or in an emergency or after the giving of Requisite Notice during the Tenant's absence to break and enter at the Landlord's expense and subject to the Landlord making good any damage caused to the Premises as soon as reasonably practicable) the Premises:

4.1 for the purposes of inspecting and of cleaning, maintaining, repairing, altering, improving, renewing or replacing any part of the Development (including the Building) including without limitation any part of the Common Parts and of building, constructing, rebuilding and/or altering the Premises or any buildings on any other land adjoining or neighbouring the Premises or carrying out any work upon any adjoining or neighbouring property or any Lettable Unit and of installing (whether by way of replacement or extension) new or additional parts of any of the Conduits and the Plant and Equipment in, upon, under or near to the Premises or any part or parts thereof or for any necessary or reasonable purpose pertaining to the Premises and/or the Development (including the Building) or any part or parts thereof but PROVIDED THAT (i) the Tenant's use and occupation of the Premises as permitted under this Lease is not permanently or materially adversely affected and (ii) such works shall not affect or diminish the light or air which may now or at any time during this Lease be enjoyed by the Tenant or the tenants or occupiers of the Premises to a material extent; or

4.2 to inspect or view the condition of the Premises; or

4.3 for the purposes of carrying out work or doing anything whatsoever comprised within the Landlord's obligations in terms of the foregoing Lease whether or not the Tenant is liable to make a contribution; or

4.4 to take schedules or inventories of fixtures and other items to be given up on the expiry or earlier termination of the foregoing Lease; or

4.5 to exercise any of the rights granted or reserved to the Landlord by the foregoing Lease.

5 Servitudes

All existing servitudes, rights of way and others, if any, affecting the Premises or any part thereof, whether contained in the Title Deeds or otherwise.

6 Right of support

The right of light, air, support, shelter and protection and all other servitudes and rights now or hereafter belonging to or enjoyed by other Lettable Units or any other adjoining or neighbouring land.

7 Right to attach fixtures to outside walls

The right to create, place or fix and maintain, renew and operate at any time during the Duration of the foregoing Lease to the Common Parts or blank elevations of any other part of the Building including without prejudice to that generality all roofs, canopies and external walls and any such items which may be considered by the Landlord acting reasonably to be requisite or desirable and including but not limited to fire escapes, tenant information panels, television aerials and connections for the use of the tenants and other occupiers within the Development (including the Building), public lighting, brackets (with lamps attached), seats, street names, vending machines or waste paper receptacles.

8 Scaffolding

To erect scaffolding for any purpose connected with or related to the Building.

9 Temporary deprivation of Common Rights

To suspend temporarily any rights granted to the Tenant in respect of the Common Parts in connection with the repair and maintenance thereof or any other necessary purpose.

10 Variation of Lettable Unit

To build or rebuild, narrow, widen or heighten any Lettable Unit in such manner as the Landlord may desire or permit.

11 Common rights/alienation

11.1 To use in common with everybody entitled to use the same the Common Rights.

11.2 To sell, dispose of or otherwise alienate in any way and at any time any part or parts of the Building.

12 Control of Common Parts

12.1 To vary, alter, restrict or extend the Common Parts, including:

12.1.1 variation, alteration, restriction or extension of the Car Parks, access roads, pedestrian footpaths and ways, service roads, service yards and landscaped areas; and

12.1.2 to build or rebuild upon any part of the Common Parts to such height and in such manner and otherwise as the Landlord may desire, provided that such variation, alteration or extension does not permanently materially adversely affect the Tenant's occupation and use of the Premises.

12.2 To regulate and control the use of the Common Parts in each case in accordance with the principles of good estate management and in particular (but without prejudice to the generality of the foregoing):

12.2.1 close the public entrances to the Development (including the Building) outside normal business hours (as determined by the Landlord, acting reasonably) subject to reasonable arrangements being made to allow access and egress by the cleaning staff of the Tenant;

12.2.2 to make reasonable regulations for the control, regulation and limitation of pedestrian or vehicular traffic in the Development or on any part thereof and to erect such signs as may be appropriate; and

12.2.3 to vary, alter, change the use of, close or control access to the whole or any part of the Development (including the Building) (provided that the Landlord shall provide reasonable alternative access).

13 Extensions and additions to Building

13.1 The right from time to time to extend the Building (whether by developing or utilising any other ground owned by the Landlord or acquiring any area or areas of ground as a subsequent phase of the Landlord's general development or by creating a new Lettable Unit or extending an existing Lettable Unit) and/or to erect new buildings or extend or alter existing buildings on or over any part of the Building or the Development (as existing at the date of execution of the foregoing Lease or after extension as aforesaid) including without prejudice to the foregoing generality the right to build upon the roof and airspace above those parts of the Building and to resume without any compensation to the Tenant parts of the Common Parts for such purposes and/or to consent to a third party doing any of the foregoing; PROVIDED that on each occasion on which the Landlord exercises the rights hereinbefore reserved in this paragraph 13:

13.1.1 no part of the capital costs of any such extension, erection or alteration of buildings shall be borne by the Tenant;

13.1.2 any additional Lettable Unit created in consequence of such extension, erection or alteration shall from the date when such additional Lettable Unit is completed or let, whichever is the earlier, be taken into account in calculating the Service Charge Percentage applicable to the Premises which from such last mentioned date shall be amended accordingly;

13.1.3 the Common Parts and the Building as defined and mentioned in the foregoing Lease shall as and from each occasion on which such extension, erection or alteration is completed be deemed to refer to the Common Parts or the Building (as appropriate) as so extended, erected or altered;

13.1.4 the Tenant's occupation and use of the Premises as permitted by this Lease shall not be permanently materially adversely affected by such extension, erection or alteration; and

13.1.5 the tenants of any such extended or altered part of the Building shall be entitled to use the Common Parts and to exercise the Common Rights.

13.2 To resume and remove from the Building any Lettable Unit and/or any additional areas not comprising Common Parts provided that written intimation of such resumption is given to the Tenant as soon as practicable after any such resumption has taken place.

14 Right to alter Common Parts if so required by a competent authority

Full right and liberty to carry out all or any works which may be required by any public, local or other competent authority or which are required by any local acts or bye-laws or any statute already or hereafter to be passed and where the responsibility for such works is not imposed upon the Tenant by such authority and in particular the Landlord reserves the right, if required by any such authority, to alter, amend or extend the service roads or areas, and walkways within, and other Common Parts of, the Development (including the Building) in accordance with the directions of such authority.

15 To make Regulations

In each case in accordance with the principles of good estate management to make reasonable regulations for the use of the Common Parts and the Building, the control and regulation and limitation of pedestrian or vehicular traffic in the Development (including the Building), safety, traffic flow, amenity, visual amenity, to preserve the quality of the Building or other purposes and to erect such signs as may be appropriate and to make any reasonable regulations in relation to the Development (including the Building) which are designed for the general benefit of the Development (including the Building).

16 Variation of Regulations

To make reasonable variations or alterations to the regulations provided for in paragraph 15 of Part 4 of this Schedule.

DECLARING THAT in the exercise of the rights reserved to the Landlord or any other person in terms of Part 4 of this Schedule, the following conditions shall apply:

a) the Landlord or the person exercising the rights under Part 4 of this Schedule do so acting reasonably and in accordance with the principles of good estate management;

b) all damage to the Premises and (provided that the Tenant, having been given Requisite Notice, has taken reasonable steps to protect same against damage) to the Tenant's fittings and fixtures, caused by the exercise of such rights shall be made good as soon as reasonably practicable by the Landlord to the reasonable satisfaction of the Tenant;

c) if any of the entitled parties require to enter upon the Premises for any of the said purposes, they shall be obliged to do so only (except in an emergency) on giving Requisite Notice, or in an emergency or after the giving of Requisite Notice during the Tenant's absence they shall be entitle to break and enter and in all cases shall comply with the Entry Conditions;

d) all of such rights shall be exercised in such a manner as will cause, so far as is reasonably practicable, the minimum practicable disruption and inconvenience to the Tenant and any other permitted occupier of the use of the Premises as permitted by this Lease;

e) the Tenant's use and enjoyment of the Premises as permitted under this Lease is not materially permanently adversely affected and adequate access to and egress the Premises is maintained at all times; and

f) any scaffolding shall be erected for as short a period as shall be reasonably practicable in the circumstances and shall be removed as soon as reasonably practicable and shall not otherwise materially and permanently interfere with the access to or use and enjoyment of the Premises as permitted by this Lease.

PART 5

Service Charge

1 Payments of Service Charge

In order to ensure that the Landlord is fully and effectually indemnified in respect of all Service Expenditure, the Tenant shall pay to the Landlord, without deduction, a Service Charge, calculated in accordance with the provisions of this Part 5 of the Schedule.

2 Definitions

2.1 **"the Accountant"** means the accountant, surveyor or managing agent appointed by the Landlord from time to time for the purposes of Parts 5 and 6 of the Schedule, of determining the fair and equitable proportion of Service Charge and insurance premiums payable by the Tenant, of preparation of accounts and certificates relating to the calculation of the Service Charge and of all other associated purposes (or if none is appointed, the Landlord itself acting reasonably through its accounts or service charge department);

2.2 **"First Year"** means the period from the Date of Entry to 31 December immediately succeeding;

2.3 **"Last Year"** means the period beginning 1 January (or such other date as may have been specified in accordance with sub-paragraph 2.7 of Part 5 of this Schedule) immediately preceding the expiration or sooner determination of the Duration of the foregoing Lease and ending on such expiration or sooner determination;

2.4 **"Service Charge"** means the sum calculated in the manner set out in paragraph 3 of this Part 5 of the Schedule and payable in the manner set out in paragraph 6 of this Part 5 of the Schedule;

2.5 **"Service Expenditure"** means the expenditure referred to in Part 6 of the Schedule under deduction of:

2.5.1 any costs, which would otherwise form part of the Service Expenditure, relating to the making good of any damage or destruction arising from an Insured Risk, save to the extent that:-

2.5.1.1 such costs fall within any normal and reasonable commercial excess provision under the relevant policy of insurance, or

2.5.1.2 the insurance monies are irrecoverable as a result of any act, neglect, default or omission on the part of the Tenant, or those for whom the Tenant is responsible at law and the Tenant has not paid to the Landlord in full, cleared funds the shortfall to the extent attributable to such act, neglect, default or omission; and

2.5.2 the Service Expenditure Exclusions;

2.6 **"Service Expenditure Exclusions"** means the following exclusions which shall be deducted from the Service Expenditure for the purposes of calculating the Tenant's liability for Service Charge:

2.6.1 any costs incurred in connection with rent reviews under the leases of any Lettable Units in the Development (including the Building) other than under this Lease and the cost of letting or attempting to let any unlet Lettable Units in the Development (including the Building),

2.6.2 any fees or costs attributable to the collection of rents from the other tenants of the Development (including the Building),

2.6.3 any costs arising from the negligent act or default of the Landlord or those for whom the Landlord is responsible in law or any of the tenants or occupiers of the Development (including the Building) (other than the Tenant or its permitted occupiers),

2.6.4 any costs which relate to any dealings or attempted dealings by the Landlord in or with their interest in the Development (including the Building) or any part thereof or in the Lease,

2.6.5 any costs relating to marketing and/or letting and/or attempting to let any of Lettable Units,

2.6.6 any liability or expense for which the Tenant or other tenants or occupiers of the Development (including the Building) may individually be responsible under the terms of the tenancy or other arrangement by which they use or occupy the Development (including the Building), including the costs of recovering the same,

2.6.7 any expenditure incurred by the Landlord in enforcing any covenants or obligations of the Tenant or other tenants or occupiers of the Development (including the Building) under the terms of the lease or other arrangement pursuant to which they use or occupy the Development (including the Building) or any part of it,

2.6.8 any costs received by the Landlord under the terms of a contractual claim, current warranty or guarantee against a third party (including costs received in respect of any works carried out under any defects maintenance period applicable to such works),

2.6.9 any costs and expenses which relate to any unlet Lettable Unit,

2.6.10 any costs relating to any reconfiguration, refurbishment, renovation or improvement of any lettable unit or redevelopment or refurbishment of the Common Parts,

2.6.11 any costs attributable to innovation or improvement rather than repair or reinstatement except where innovation and/or improvement is (i) the only viable option having regard to materials then available and (ii) economically more prudent or viable than repair or reinstatement,

2.6.12 any costs relating to the provision of a sinking fund or other provision for anticipated expenditure of a capital nature,

2.6.13 any VAT to the extent that the Landlord is entitled to recover the same from HMRC, and

2.6.14 any costs arising as a result of Uninsured Risk Damage.

2.7 **"Year"** (other than in relation to the First Year and the Last Year as herein defined) means each consecutive period of twelve months beginning with the 1st day of January in any given year provided always that the Landlord may determine (acting reasonably and in accordance with the principles of good estate management) that the Year may be a different period of twelve months and that during the transition period be greater or lesser than one year in which case "Year" shall mean the duration of such transition period.

3 Proportion of Service Charge

3.1 The Service Charge shall in relation to any Year other than the First Year and the Last Year consist of the Service Charge Percentage of the Service Expenditure (and pending determination of the Service Expenditure the Accountant's estimate of the Service Expenditure in terms of paragraph 4 of this Part 5 of the Schedule) (provided always that if the Development (including the Building) shall be varied by reason of the alteration, extension or redevelopment of the Development (including the Building) or any part thereof the Service Charge and/or the Service Charge Percentage may be adjusted in such manner as the Landlord determines (acting reasonably and in accordance with the principles of good estate management) to be a just and equitable share of the costs associated with the whole of the varied Development) and at the same time a further sum determined by the Landlord to be used to defray as far as possible such of said costs which are or are likely to be incurred at less frequent intervals than once during any year.

3.2 The Service Charge shall in relation to the First Year and the Last Year consist of the Service Charge Percentage of such reasonable part of the Service Expenditure (subject to the proviso referred to in sub-paragraph 3.1 above) which is of a periodically recurring nature whether occurring by regular or irregular periods whenever disbursed, incurred or made and whether prior to the date hereof or otherwise including sums of money by way of reasonable provision for anticipated expenditure in respect thereof as the Accountant acting reasonably allocates as being fair and reasonable in the circumstances.

4 Estimates

The Accountant acting reasonably and in the interests of good estate management shall within two months before or as soon as practicable after the commencement of each Year (other than the First Year) (but the Tenant shall not be entitled to object to any delay on the part of the Accountant) prepare an estimate of the Service Expenditure for that year and shall in respect of the First Year prepare an estimate of the Service Expenditure for the First Year.

5 Certification

As soon as practicable after the calculation of the Service Expenditure shall have been completed in respect of any Year or part thereof (including the First Year and the Last Year) the Accountant shall certify the amount of the Service Expenditure for that Year (but so that any delay in or absence of such certification will not entitle the Tenant to withhold or delay payment of the Service Charge) and such certificate of the Accountant of the Service Expenditure for such Year (in the absence of manifest error) shall be binding on the Tenant and the Landlord (except in the case of manifest or demonstrable error) and shall be deemed to be sufficient evidence that:

5.1 any estimate of future Service Expenditure is a fair and reasonable estimate; and

5.2 any item or class of past or future expenditure treated as Service Expenditure is correctly so treated.

6 Times of Payment

6.1 The Service Charge based upon the Accountant's estimate of the Service Expenditure in respect of each Year excluding the First Year but including the Last Year shall be payable by equal quarterly instalments in advance on the Quarter Days.

6.2 The Service Charge for the First Year based upon the Accountant's estimate of the Service Expenditure for the First Year shall be payable upon a payment on the Date of Entry and a payment or payments (as the case may be) on the succeeding Quarter Day or Days (if one or more of such Quarter Days falls between the Date of Entry and the end of the First Year) apportioned pro rata.

6.3 As soon as the Accountant's certificate shall have been completed under paragraph 5 of this Part 5 of the Schedule, any overpayment by the Tenant based on the Accountant's estimate shall be credited towards the Tenant's next payment or payments of Service Charge due by the Tenant and any credit due to the Tenant at the end of the Last Year shall be paid to the Tenant within one month of the issue of such Accountant's certificate. Any underestimate of Service Charge for any Year and/or the First Year and/or the Last Year shall be payable by the Tenant to the Landlord within 20 Working Days of written demand.

6.4 If the Tenant has been given notice of the Accountant's estimate of the amount of the Service Charge for any Year before the last Quarter Day in that year the Tenant shall on that and any subsequent Quarter Day before such notice is given pay an amount equal to the last quarterly payment of Service Charge in respect of the previous Year and the requisite adjustment by way of addition of underpayment or deduction of overpayment shall be made/given by adjusting the first quarterly payment after such notice has been given.

6.5 The provisions of this Part 5 of the Schedule shall continue to apply notwithstanding the expiration or sooner determination of the Duration of the foregoing Lease but only in respect of the period down to such expiration or sooner determination of the Duration of the foregoing Lease.

7 Provision of Information

The Landlord shall at the request of the Tenant once in respect of each Year provide the Tenant with a summary of the amounts comprising the Service Expenditure and all vouchers and accounts relative to the Service Expenditure but so that the Tenant shall not be entitled to require any particular which could be ascertained by inspection of any statement prepared pursuant to paragraph 5 of this Part 5 of the Schedule and so that any delay in providing or the non-provision of such summary and/or vouchers shall not be grounds upon which the Tenant shall be entitled to withhold or delay payment of the Service Charge.

PART 6

Service Expenditure

The Service Expenditure shall mean the reasonable costs and expenditure properly incurred or to be incurred by the Landlord acting reasonably (including proper and reasonable costs and expenses paid by the Landlord to a third party by virtue of any provisions in the Title Deeds and any other title deeds) and whether alone or jointly with other persons and all expenditure directly or indirectly incurred or to be incurred by the Landlord acting reasonably, all in accordance with the principles of good estate management in relation to the following:

1 Performance of Landlord's Obligations

1.1 **Common Parts**

1.1.1 Throughout the Duration of the foregoing Lease to repair and maintain and, if necessary, renew, rebuild and reinstate in whole or in part, the Common Parts regardless of the age or state of dilapidation of the Common Parts and irrespective of the cause of the damage, destruction or deterioration;

1.1.2 subject to paragraph 1.15 of this Part 6 of the Schedule from time to time, and as often and in such manner as the Landlord shall consider reasonably necessary, to redecorate (to a scheme of colour and finish as determined by the Landlord) treat, light, cleanse and preserve the Common Parts;

1.1.3 to keep the Common Parts including all corridors, entrance halls, stairs, roadways and footways, Car Parks, service yards, loading and unloading bays, service and escape corridors clean and tidy and properly lighted (when appropriate) and in good and substantial repair and condition and surfaced and free from obstruction;

1.1.4 depending upon the ambient temperature to provide a supply of filtered partially heated air or ventilation to such of the Common Parts as reasonably require the same and (if deemed desirable by the Landlord) cooling for such parts of the Common Parts and for such hours and times of the year as shall be reasonable;

1.1.5 to provide, maintain, repair and when necessary replace, adequate lighting for the appropriate parts of the Common Parts; and

1.1.6 cleaning as often as the Landlord shall in its absolute discretion consider reasonably necessary the exterior of all windows, doors and window/door frames in the Common Parts (and including the exterior of all windows serving the Lettable Units) as well as the Common Parts themselves.

1.2 **repairs etc. of structure**

A fair and reasonable share of the costs of maintaining, repairing, decorating, lighting and cleansing and renewing and rebuilding all (if any) ways, roads, pavements, sewers, drains, pipes, watercourses, walls, fences, passages or others which may be used by the owners, tenants or customers of the Development (including the Building) along or in common with other premises near or adjoining the Development, including any amounts which the Landlord may be called upon to pay as a contribution towards such expenditure.

1.3 **rates**

Any existing or future taxes, rates, charges, community charges, duties, assessments, impositions and outgoings whatsoever in respect of the Common Parts but specifically excluding taxes imposed upon the Landlord in respect of its capital interest in the Development (including the Building) or any part thereof or in connection with any dealing or deemed dealing by the Landlord with its interest in the Development (including the Building) or any part thereof.

1.4 **other outgoings**

All charges, assessments and outgoings for water, electricity, fuel, telephone and public or statutory utilities payable in respect of the Common Parts.

1.5 **management premises**

Costs of providing and operating Management Premises and the Plant and Equipment for use in connection with the provision of management services for the Development (including the Building) (including the cost of office and cleaning equipment, furniture and other like costs) and together with any associated costs.

1.6 **staff costs**

Costs of:

1.6.1 providing and administering supervisory, administrative and service staff including wages, salaries, and the costs of providing special clothing and uniforms of and for all persons from time to time employed by the Landlord or any managing agents for purposes connected with the Development (including the Building), payments in respect of national insurance, graduated pensions, industrial training levies, redundancy and similar or ancillary payments required to be made by statute; and

1.6.2 accommodation, heating, lighting, and Plant and Equipment and Conduits within the Development (including the Building) for use in connection with such supervisory, administrative and service personnel and the maintenance, repair and decoration of office or other accommodation and the provision, repair, maintenance and replacement of equipment and furniture therein (including the cost of use of telephones).

1.7 **refuse collections**

Costs of:

1.7.1 provision (in so far as not provided by the local authority) and operation of communal containers and compactors at collection points for the disposal of refuse; and

1.7.2 periodic refuse collection services or arranging for such services together with any additional levy imposed by the local or other competent authority.

1.8 **maintenance of equipment and services**

Costs incurred in respect of:

1.8.1 the supply, inspection, maintenance, repair, overhaul, servicing, operation, alteration, renewal and replacement of any machinery (including motor vehicles) articles and materials for the purpose of refuse collection;

1.8.2 the inspection (by specialist contractors if thought necessary or desirable by the Landlord), maintenance, repair, overhaul, replacement, renewal, servicing and cleansing and treatment of the Common Parts or part thereof;

1.8.3 the inspection, operation, maintenance, repair, overhaul, servicing, operation, alteration, renewal and replacement of the Plant and Equipment and the Conduits including without prejudice to the foregoing all lifts, lift shafts, standby generators and boilers and items relating to mechanical ventilation, heating, cooling, public address and closed circuit television;

1.8.4 the replacement (where beyond economic repair) of the Plant and Equipment and Conduits;

1.8.5 providing, maintaining, operating and administering a water supply for the Development (including the Building) including without prejudice the provision, maintenance and operation of all meters and related equipment and paying all costs relative thereto;

1.8.6 providing electricity and other utilities in connection with the provision of all the matters referred to in this Part 6 of the Schedule and a stand-by electricity generator, if any, to supply electricity in the Common Parts;

1.8.7 supplying, providing, purchasing, hiring, maintaining, renewing, replacing, repairing, servicing, overhauling, and keeping in good and serviceable order and condition all appurtenances, appointments, fixtures and fittings, bins, receptacles, tools, appliances,

materials, equipment and other things which the Landlord may deem necessary for the maintenance, appearance, upkeep or cleanliness of the Development (including the Building) or any part thereof.

1.9 **to keep accounts**

To keep an account of the expenditure incurred by or for the Landlord in respect of the obligations and provisions of this Part of the Schedule.

1.10 **titles**

1.10.1 A fair and reasonable share of the costs of upholding, maintaining (if necessary), renewing, rebuilding and reinstating all roofs, main gables and mutual walls, entrances and stairways, sewers, drains, pipes and other subjects which are common to the Common Parts and other parts of the Development (including the Building) or any adjoining or adjacent subjects and for which the Landlord may be liable exclusively or in common under its title.

1.10.2 To perform and observe all the real liens, burdens, conditions, restrictions, servitudes, agreements or others howsoever constituted, whether in the Title Deeds or otherwise which affect the Common Parts or any part thereof from time to time to the extent applicable to the Development (including the Building) and in so far as the same remain subsisting and capable of taking effect and to take all actions, meet all costs, expenses, claims and demands which may arise or be occasioned in respect of any of the same.

1.11 **costs of valuation**

The obtaining of any independent professional valuation of the Development (including the Building) or any revisions thereof which shall be required by the Landlord for the purpose inter alia of determining the Full Cost of Reinstatement (but no more frequently than once in any 3 year period).

1.12 **managing agents' fees**

Properly incurred and reasonable fees of any agents retained by the Landlord to manage the Development (including the Building) and if no such agents are employed, a proper fee (including VAT thereon) for the provision of such management by the Landlord.

1.13 **accountants' fees**

Properly incurred and reasonable fees and other charges (including VAT thereon) for the Accountant appointed from time to time in providing the services specified at paragraphs 4 and 5 of Part 5 of the Schedule.

1.14 **professional fees**

Properly incurred and reasonable fees and charges of any accountant, architect, engineer, surveyor or other professional adviser employed to certify any matter or thing to be certified for the purpose of any provisions of this Part 6 of the Schedule or Part 5 of the Schedule.

1.15 **external decoration**

Without prejudice to the generality of the foregoing obligations, no more than once in every three years of the Duration of this Lease (and so long as not less than three years shall elapse between one complete redecoration of the Building and the next redecoration in terms of this provision) in a good and proper and workmanlike manner to prepare and paint all the outside wood, metal, stucco, cement and other work of the Building and all other exterior parts as have previously been so painted with two coats at least of good quality paint or other suitable medium (in accordance with the requisite British Standards Specification at the time being subsisting in respect of the materials in question) and in like manner to prepare, wax and polish and otherwise maintain all the outside work now or which ought to be so treated with good quality materials and also in like manner as often as in the opinion of the Landlord shall be reasonably necessary (but not more frequently than once in every three years of the foregoing Lease) to clean and treat in a suitable manner for its maintenance in good condition all the outside hardwood and metal and other work not required to be painted or polished and to clean all tiles, glazed bricks and similar washable surfaces.

2 public facilities etc

Expenditure incurred in the provision, inspection, maintenance, repair, overhaul, replacement and renewal of such landscaping, trees, shrubs, flowers, grass and other plants and of such flags, flagpoles, decorative lights, moving displays, sculptures, showcases and other decorations and of such decorative or drinking fountains, public pay telephones, clocks, childminding information, first aid, left luggage and lost property facilities or other like amenities as the Landlord is required by statute to provide or acting reasonably shall think fit to provide or maintain on or in the Development (including the Building).

3 signs

Expenditure incurred in the provision, inspection, maintenance, repair, overhaul, replacement and renewal of signs, signposts, location maps, direction boards and other informative signs, notices, displays or maps (whether or not illuminated and howsoever operated) in or upon the Common Parts or any other part of the Development (including the Building excluding the Lettable Units).

4 security

Expenditure in the provision of such security staff, contractors and equipment and apparatus as the Landlord shall acting reasonably think fit and proper to employ and/or use and in the provision, maintenance, replacement and renewal of such security equipment in the Development (including the Building excluding the Lettable Units) from time to time.

5 toilets

Expenditure incurred in or about the attendance, cleaning, inspection, maintenance, repair, overhaul, replacement and renewal and the staffing of the common and public toilet facilities in the Development (including the Building excluding the Lettable Units).

6 VAT

The applicable amount of VAT on any item of expenditure specified or referred to in this Part 6 of the Schedule.

7 orders, statutory requirements etc

Taking all steps necessary for complying with or making representations against or otherwise contesting the incidence of the provisions of any legislation or orders or statutory requirements thereunder concerning town planning, compulsory purchase, public health, highways, streets, drainage or other matters relating to or alleged to relate to the Development (including the Building) for which the Tenant is not directly liable hereunder or the tenants of other premises within the Development (including the Building excluding the Lettable Units) or any one or more of them are not directly responsible under their leases including complying with all provisions and requirements of any and every enactment or any public, local or other authority and executing all works and providing all arrangements which may be directed or required as aforesaid so far as the same relate to the Common Parts.

8 Car Park

The cost of operating the Car Parks and of managing, repairing, maintaining (if necessary), rebuilding, renewing and cleaning the same and keeping them clear of all rubbish and obstructions.

9 CCTV system

Expenditure incurred in the provision, maintenance and renewal of a closed circuit television system or the like for the Development (including the Building) and each and every part thereof.

10 fire fighting equipment etc.

Expenditure incurred in providing fire prevention and fire fighting equipment appliances and apparatus (including fire alarm sprinkler systems, smoke detectors) and any other signs or other notices required by the local fire officer (other than such as are supplied in the Premises by the Tenant) and the cost of repair, maintenance and renewal of the same.

11 Management Premises expenses

The rates, telephone charges, gas, electricity and all other incidental expenses of any accommodation provided in the Development (including the Building excluding the Lettable Units) for vehicles, parts, equipment and other things employed in connection with any other matter the cost of which is covered in this Part 6 of the Schedule.

12 anticipated expenditure

Such part of all such expenditure hereinbefore mentioned which is of a periodically recurring nature (whether recurring by regular or irregular periods) whenever disbursed, incurred or made or to be disbursed, incurred or made and including a sum or sums of money by way of provision for anticipated expenditure in respect thereof as the Landlord may allocate as being fair and reasonable in the circumstances to be credited against the Service Expenditure in the relevant Year.

13 reserves

The cost of establishing and maintaining financial reserves to meet the future costs (as from time to time estimated by the Landlord) of repair, maintenance, reconstruction, renewal, rebuilding and replacement in respect of the Common Parts or any part or parts thereof where such cost is not of a constant and annually recurring nature.

14 other matters

Expenditure on the properly incurred and reasonable cost of any other service or matter relative to the Development (including the Building) which the Landlord acting reasonably and in the interests of good estate management, considers necessary or desirable from time to time for the more efficient management and use of the Common Parts and/or the Development (including the Building).

PART 7

Title Deeds

Land Certificate Title Number MID70754.

PART 8

Provisions of Rent Review

1 In this Part 8 of the Schedule the following expressions shall have the following meanings:-

1.1 **"the Rent Review Date"** means 15 August 2022;

1.2 **"Open Market Rent"** means the yearly rent for which the Premises could reasonably be expected to be let as a whole with vacant possession on the Rent Review Date in the open market by a willing landlord to a willing tenant for a duration equal to 5 years upon the terms and conditions (including the provisions for the review of rent at intervals of five years but excluding the amount of rent payable immediately prior to Rent Review Date) as are herein contained and on the assumption (if not the fact) that:-

1.2.1 all the Tenant's obligations hereunder shall have been complied with (but without prejudice to any rights of either party in regard thereto);

1.2.2 all parts of the Premises and the Building are fit and available for immediate use and occupation are ready to take the Tenant's fitting out works;

1.2.3 if the Premises and/or the Common Parts or any part thereof or the means of access thereto or any services enjoyed shall have been destroyed or damaged, the same had before the Rent Review Date been fully reinstated;

1.2.4 the Tenant and the willing tenant are able to reclaim/recover in full all (if any) VAT chargeable on the Rents and other monies payable by the Tenant under this Lease; and

1.2.5 that any reasonable rent free period then standard on the open market allowed for the purposes (and only for the purposes) of the willing tenant's fitting out has expired,

But there being disregarded:-

1.2.6 any effect on rent of the fact that the Tenant or a sub-tenant may have been in occupation of the Premises;

1.2.7 any goodwill attached to the Premises by reason of any trade or business carried on therein by the Tenant or any sub-tenant;

1.2.8 any effect on rent of any works carried out by the Tenant with the Landlord's consent (including any fitting out works undertaken by the Tenant at the commencement of or at any time during the Duration of the Lease) otherwise than in pursuance of any obligation to the Landlord or under this Lease; and

1.2.9 any effect on Rents of the inability of the Tenant to recover, whether in part or in full, any VAT chargeable on the Rents and other monies payable by the Tenant under the foregoing Lease.

2 On and after the Rent Review Date the rent hereinbefore payable shall be the higher of:-

2.1 the rent then payable in terms of Clause 2.1 of the foregoing Lease (hereinafter referred to as the **"Current Rent"**); and

2.2 the Open Market Rent of the Premises (hereinafter called the **"New Rent"**).

3 If 2 months before the Rent Review Date the Landlord and the Tenant shall not have agreed on the New Rent to commence on the Rent Review Date the Landlord or the Tenant may at any time thereafter require an independent surveyor with not less than ten years' continuous experience immediately preceding the date of appointment in the valuation of premises comparable to the Premises (hereinafter called **"the Surveyor"**) to determine the Open Market Rent.

4 The Surveyor may be agreed upon by the Landlord and the Tenant and in default of such agreement shall be appointed by the President or senior office holder for the time being of the Scottish Branch of the Royal Institution of Chartered Surveyors on the application of the Landlord or the Tenant.

5 On reference of the determination of the New Rent to the Surveyor:-

5.1 the Surveyor shall act as an arbiter;

5.2 if the Surveyor comes to the conclusion that the Open Market Rent of the Premises on the Rent Review Date is or was less than the Current Rent, the New Rent shall be the Current Rent;

5.3 the decision of the Surveyor shall be final on all matters hereby referred to him;

5.4 if the Surveyor shall fail to determine the Open Market Rent or if he shall relinquish his appointment or die or if it shall become apparent that for any reason he will be unable to complete his duties hereunder the Landlord or the Tenant may apply to the said President for a substitute to be appointed in his place in which case the foregoing procedure may be repeated as many times as necessary; and

5.5 the fees of the Surveyor shall follow his award and failing such an award shall be met equally by the parties.

6 In the event that by the Rent Review Date the Landlord and the Tenant shall not have reached agreement as provided for in this Part 8 of the Schedule and the Surveyor shall not have given his award, then the Tenant shall continue to pay rent at the Current Rent in accordance with this Lease until such agreement shall be reached or the Surveyor gives his award, whichever shall first occur. Within 10 Working Days after such agreement shall have been reached or the said award shall have been made the Tenant shall pay to the Landlord an amount equal to the difference between the New Rent and the Current Rent for the period commencing on the Rent Review Date together with Interest thereon for the period commencing on the Rent Review Date to the date of payment.

7 If the Landlord and the Tenant shall be able to agree on the amount of the New Rent or failing that once the New Rent is determined by the Surveyor such agreement or determination shall be recorded in a memorandum to be signed by both the Landlord and the Tenant and each party shall be responsible for their own legal (and any other professional) fees incurred in entering into such memorandum.

8 If at the Rent Review Date there shall be in force any enactment (which expression includes any Act of Parliament now or hereafter in force as well as any instrument, regulation or order made thereunder or deriving validity therefrom) which shall relate to the control of rent and which shall restrict, interfere with or affect the Landlord's right to revise the rent hereby payable in accordance with the terms hereof or to accept payment of the full amount of the New Rent then the Landlord shall be entitled once following each removal or modification of such enactment to serve notice (hereinafter called **"an interim notice"**) upon the Tenant and from and after the date of service of such interim notice until the Rent Review Date the rent shall be increased to whichever is higher of the Open Market Rent at the date of service of the interim notice or the rent payable immediately prior thereto and the provisions of this Part 8 of the Schedule shall apply accordingly with the substitution of the said date of service for the Rent Review Date.

9 Time shall not be of the essence in respect of any period of time referred to in this Part 8 of the Schedule except for the time for payment of rent referred to in paragraph 6 hereof.

PART 9

PART 9A

Premises Plan

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PART 9B

Development Plan

PART 9C

Car Park Plan

Exhibit 10.9

REGISTRATION RIGHTS AGREEMENT

dated as of

[ ], 2017

among

NUCANA PLC

and

THE INVESTORS PARTY HERETO

TABLE OF CONTENTS

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**"), is made as of the [ ] day of [ ], 2017, by and among NuCana plc, a company incorporated under the laws of England and Wales (the "**Company**"), each of the shareholders listed on Schedule A hereto (the "**Major Investors**") and each of the shareholders listed on Schedule B hereto (the "**Original Investors**") who become party hereto prior to the Effectiveness Date (as defined below). The Major Investors and the Original Investors are collectively referred to herein as the "**Investors**" and each is referred to herein as an "**Investor**".

RECITALS

WHEREAS, the Company and the Investors are parties to that certain shareholders' agreement dated March 31, 2014, as amended on or around the date hereof, (the "**Shareholders Agreement**"), which agreement contains certain registration rights but will terminate and cease to have effect upon the IPO; and

WHEREAS, in order to provide for such rights following the IPO, the Investors and the Company hereby agree that this Agreement shall be effective upon the date and time of the closing of the IPO (the "**Effectiveness Date**") and shall govern the rights of the Investors to cause the Company to register ADSs representing Ordinary Shares held by the Investors as set forth in this Agreement;

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**ADSs**" means American depositary shares, representing Ordinary Shares pursuant to a sponsored ADR facility.

1.2 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.

1.3 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.4 "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly)**,** Ordinary Shares, including options and warrants.

1.5 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.6 "**Excluded Registration**" means (i) a registration relating to the sale of securities to employees, directors, officers or consultants of the Company or a subsidiary pursuant to a share option, share purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Ordinary Shares being registered is Ordinary Shares issuable upon conversion of debt securities that are also being registered.

1.7 "**Form F-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.8 "**Form F-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.9 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.10 "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.11 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.12 "**IPO**" means the Company's first underwritten public offering of its Ordinary Shares under the Securities Act.

1.13 "**Ordinary Shares**" means shares of the Company's ordinary shares, nominal value £0.04 per share (or such other nominal value as may, from time to time, result from a consolidation of subdivision of the ordinary share capital).

1.14 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.15 "**Registrable Securities**" means (i) the Ordinary Shares issuable or issued upon conversion of th**e** Company's Founder Ordinary 1 Shares, Founder Ordinary 2 Shares,

Series A Shares and Series B Shares outstanding immediately prior to the closing of the IPO; (ii) any Ordinary Shares issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clause (i) above; (iii) the Ordinary Shares outstanding immediately prior to the closing of the IPO; and (iv) any ADSs issued in respect of any Ordinary Shares described in clause (i), (ii) or (iii); excluding in all cases, however, any Registrable Securities not held by an Investor as of the Effectivness Date or sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 3.1, and excluding any shares for which registration rights have terminated pursuant to Subsection 2.12 of this Agreement.

1.16 "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Ordinary Shares that are Registrable Securities and the number of shares of Ordinary Shares issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.17 "**Restricted Securities**" means the securities of the Company required to be notated with the legend set forth in Subsection 2.11(b) hereof.

1.18 "**SEC**" means the Securities and Exchange Commission.

1.19 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.20 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.21 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.22 "**Selling Expenses**" means all underwriting discounts, selling commissions, and share transfer taxes or stamp duties applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form F-3 Demand. If at any time when it is eligible to use a Form F-3 registration statement, the Company receives a request from Holders of at least twenty-five percent (25%) of the Registrable Securities then outstanding that the Company file a Form F-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $3 million, then the Company shall (i) within ten (10) days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form F-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as

specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(b) and 2.3.

(b) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Company's Board of Directors it would be materially detrimental to the Company and its shareholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than sixty (60) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than twice in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other shareholder during such sixty (60) day period other than an Excluded Registration.

(c) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.1(a) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(c) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(c).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for shareholders other than the Holders) any of its Ordinary Shares or ADSs under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Subsection 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by (x) the Major Investors to be included in such underwriting shall not be reduced unless and until all Registrable Securities held by the Original Investors are entirely excluded from the underwriting and (y) the Original Investors to be included in such underwriting shall not be reduced unless and until all other securities are entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by shareholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities

owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty-five percent (25%) of the total number of securities included in such offering. For purposes of the provision in this Subsection 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, shareholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Subsection 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Subsection 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Ordinary Shares (or other securities) of the Company, from selling any securities included in such registration;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed;

(j) Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus or free writing prospectus (to the extent prepared by or on behalf of the Company) relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing. The Company will use reasonable efforts to amend or supplement such prospectus or free writing prospectus (to the extent prepared by or on behalf of the Company) in order to cause such prospectus not to include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing; and

(k) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements, not to exceed $75,000, of one counsel for the selling Holders, shall, to the extent permitted by applicable law, be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Subsection 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration) unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Subsection 2.1; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Subsection 2.1. All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and shareholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld or conditioned, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld or conditioned; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Subsections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Subsection 2.8, then, and in each such case, such parties will, to the extent permitted by applicable law, contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Subsection 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form F-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form F-3 (at any time after the Company so qualifies) and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form F-3 (at any time after the Company so qualifies to use such form).

2.10 *[Reserved]*

2.11 Restrictions on Transfer.

(a) The Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent (if applicable) with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Registrable Securities and (ii) any other securities issued in respect of the securities referenced in clause (i), upon any share split, share dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Subsection 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.

THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE SHAREHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Subsection 2.11.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that each transferee agrees in writing to be subject to the terms of this Subsection 2.11. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Subsection 2.11(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.12 Effectiveness; Termination of Registration Rights. This Agreement shall become automatically effective as of the Effectiveness Date and shall be of no force or effect prior to such date and time. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Subsections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration; and

(b) the fifth anniversary of the IPO.

2.13 Conversions of Ordinary Shares into ADSs. To the extent that the Company causes ADSs to be issued in the IPO and to the extent permitted by applicable law, following the IPO and as requested by the Investors, the Company will provide reasonable cooperation to the Investors in order to assist the Investors in depositing the Ordinary Shares held by the Investors from time to time with the ADS depositary and will use commercially reasonable efforts to cause the ADS depositary to issue ADSs to the Investors upon deposit of such Ordinary Shares, provided that the Investor shall not deposit such Ordinary Shares in exchange for ADSs (a) on or prior to the date that is six (6) months from the date of the final prospectus for the IPO except in compliance with the Securities Act, (b) at any time at which to do so would violate obligations under any underwriter's lock-up agreement entered into in connection with the IPO. To the extent permitted by applicable law, the Company will pay the ADS depositary fees payable by the Investors to the ADS depositary in connection with the issuance of ADSs upon exchange of Ordinary Shares for ADSs.

2.14 Obligation to Register ADSs. Notwithstanding anything to the contrary herein, unless the Company has previously caused the Ordinary Shares to be listed on a national securities exchange or trading system in the United States (it being acknowledged that the Company shall have no obligation to so list the Ordinary Shares) and a market in the United States for Ordinary Shares not held in the form of ADSs exists, in any registration pursuant to this Agreement any Registrable Securities registered and sold pursuant thereto shall be in the form of ADSs.

3. Miscellaneous.

3.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder or (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

3.2 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware.

3.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes**.**

3.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

3.5 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 3.5. If notice is given to the Company, a copy shall also be sent to Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., One Financial Center, Boston, MA 02111, facsimile number 617 542 2241, Attention: William C. Hicks, Esq.

3.6 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of a majority of the Registrable Securities then outstanding; provided that the Company may in its sole discretion waive compliance with Subsection 2.11(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Subsection 2.11(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Subsection 3.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

3.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

3.8 Aggregation. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

3.9 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled. Immediately upon the consummation of the IPO, and upon the effectiveness of this Agreement, the Shareholders Agreement shall terminate and be of no further force and effect.

3.10 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

3.11 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

3.12 Acknowledgment. The Company acknowledges that the Investors are in the business of venture capital investing and therefore review the business plans and related proprietary information of many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company. Nothing in this Agreement shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise whether or not such enterprise has products or services which compete with those of the Company.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

NUCANA PLC

By: _____

Name: _____

Title: _____

INVESTORS:

SOFINNOVA CAPITAL VI FCPR

By: _____

Name: _____

Title: _____

SOFINNOVA VENTURE PARTNERS VIII, L.P

By: Sofinnova Management VIII, L.L.C.

Its: General Partner

By: _____

Name: _____

Title: _____

MORNINGSIDE VENTURE INVESTMENTS LIMITED

By: _____

Name: _____

Title: _____

SCOTTISH ENTERPRISE

By: _____

Name: _____

Title: _____

Seal: _____

DEED OF INDEMNITY

THIS DEED is made this day of 2017.

BETWEEN:

(1) NuCana plc, a limited company registered in England and Wales with company number 03308778 whose registered office is at 77-78 Cannon Street, London, England, EC4N 6AF (the **"Company"**); and

(2) [*name*] of [*address*] (the **"Indemnified Person"**), each a **"Party"** and together the **"Parties"**.

NOW THIS DEED WITNESSES AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Deed each of the following words and expressions shall have the following meanings unless expressly stated otherwise:

"Applicable Law" means any relevant legal or regulatory restriction which in any way limits or defines the scope of an indemnity or funding obligation which may be given by the Company in respect of the matters contained in this Deed;

"Application For Relief" means an application made by the Indemnified Person to the court under section 661(3), section 661(4) or section 1157 of the Companies Act;

"Board" means the board of directors of the Company;

"Claim" has the meaning set out in sub-clause 3.1;

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

"D&O Insurance" means Directors' and Officers' Liability Insurance;

"Funding Obligation" has the meaning set out in sub-clause 3.2;

"Group Company" means a parent undertaking or subsidiary undertaking of the Company, or any subsidiary undertaking of any parent undertaking of the Company (and parent undertaking and subsidiary undertaking shall have the meanings given in section 1162 of the Companies Act); and

"Liability" has the meaning set out in sub-clause 3.1.

1.2 a reference to this Deed includes this Deed as amended or supplemented in accordance with its terms;

1.3 words in the singular shall include the plural and vice versa and a reference to one gender includes other genders; and

1.4 a reference to a statute, statutory provision, regulation or regulatory provision is a reference to it as amended, extended or re-enacted from time to time.

2. D&O INSURANCE

2.1 The Company shall take all reasonable steps required to purchase and maintain D&O Insurance to insure the Indemnified Person (and, in the event of the Indemnified Person's death, the Indemnified Person's estate) in respect of the Indemnified Person's appointment as a [director/officer] of the Company and any Group Company during the period of the Indemnified Person's appointment, to the extent that such insurance can be obtained at such cost and on such terms as the Board considers to be reasonable.

2.2 The Company shall not be in breach of its obligations under this clause 2 where its inability to purchase and maintain D&O Insurance to insure the Indemnified Person is attributable to a failure by the Indemnified Person to comply with the Indemnified Person's obligations to any insurer or any failure to meet or comply with a condition of the coverage of the D&O Insurance is attributable to acts or omissions of the Indemnified Person.

3. INDEMNITY AND FUNDING

3.1 The Company agrees to indemnify the Indemnified Person in respect of all reasonable costs, charges, losses, liabilities, damages and expenses, including those referred to in sub-clause 3.2 (each a **"Liability"**) arising out of any investigation, demand, claim, action or proceeding, (whether in relation to civil or criminal proceedings or in connection with regulatory actions or investigations) brought or threatened against the Indemnified Person in any jurisdiction for negligence, default, breach of duty, breach of trust or otherwise, or relating to any Application for Relief, in respect of the Indemnified Person's acts or omissions whilst in the course of acting or purporting to act as a [director/officer] of the Company or of any Group Company or which otherwise arises by virtue of the Indemnified Person holding or having held such a position (a **"Claim"**).

3.2 Without prejudice to the generality of sub-clause 3.1, the Company agrees to provide the Indemnified Person with reasonable funds to meet expenditure incurred or to be incurred by the Indemnified Person in defending (or in the case of an Application for Relief, making) any Claim (the **"Funding Obligation"**). Any funds provided under this clause 3.2 shall:

3.2.1 be requested from the Company in writing by the Indemnified Person;

3.2.2 not be subject to accrual of interest on any amount of the funds and shall be unsecured; and

3.2.3 not be subject to repayment by the Indemnified Person except as stated in sub-clause 4.1.5.

3.3 The indemnity in this clause 3 is enduring and continues for the benefit of the Indemnified Person notwithstanding that he may cease to be a [director/officer] of the Company or any Group Company (as the case may be) and applies, for the avoidance of doubt, in respect of acts or omissions (and the Indemnified Person's position as a [director/officer] of the Company or any Group Company) both before and after the execution of this Deed.

3.4 The indemnity and funding obligations of the Company in this clause 3 shall be enforceable by the Indemnified Person in full notwithstanding the existence of any right to indemnification, advancement of expenses and/or insurance provided to the Indemnified Person by any third party as a consequence of any other employment, office, directorship or consultancy held by such Indemnified Person (excluding, for the avoidance of doubt, any such role held with another Group Company).

4. EXCLUSIONS AND LIMITATIONS

4.1 Clause 3 is subject always to the following exclusions and limitations:

4.1.1 it will not apply to any Claim or Liability to the extent prohibited by the Companies Act, or, in the case of a Group Company which is not subject to the Companies Act, to the extent that it would have been prohibited by the Companies Act had the Companies Act applied to it;

4.1.2 it will not apply to the extent that any recovery is made by or on behalf of the Indemnified Person under any policy of insurance arranged and paid for by the Company;

4.1.3 it will not apply to any Liability incurred by the Indemnified Person to the Company or any Group Company;

4.1.4 it will not apply to any fines imposed on the Indemnified Person in criminal proceedings or sums payable by the Indemnified Person to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (howsoever arising);

4.1.5 the Indemnified Person will not be entitled to be indemnified under clause 3 and shall repay to the Company any amount paid by the Company under the Funding Obligation or otherwise under this Deed in respect of legal or other expenses or any other Liability incurred by the Indemnified Person in defending, or in connection with, the Claim (including for the avoidance of doubt, any amount paid pursuant to sub-clause 6.2):

(a) in respect of any Claim brought by the Company or any Group Company, in the event that judgment is given against the Indemnified Person in relation to that Claim in a final adjudication not subject to further appeal;

(b) in respect of any criminal proceedings brought against the Indemnified Person, in the event that the Indemnified Person is convicted in a final adjudication not subject to further appeal;

(c) in respect of any Application For Relief brought by the Indemnified Person, in the event that the court refuses to grant the relief applied for,

and such repayment must be made no later than the date on which the relevant judgment becomes final; and

4.1.6 it will not apply to any Claim against the Indemnified Person arising from any acts of the Indemnified Person which, directly or indirectly, result in the summary dismissal of the Indemnified Person by the Company or any Group Company.

5. NOTIFICATIONS AND CO-OPERATION

5.1 Without prejudice to clause 3, the Indemnified Person shall (unless, and to the extent, waived by the Company at its sole discretion):

5.1.1 give notice to the Company as soon as reasonably practicable after becoming aware of any Claim or any circumstance that may reasonably be expected to give rise to a Liability under this Deed;

5.1.2 as soon as reasonably practicable after a request from the Company provide the Company with written details of the Liability incurred by him, providing such level of detail, and evidence, of the Liability as may reasonably be requested by the Company;

5.1.3 not take or omit to take any action which the Indemnified Person should reasonably be aware would prejudice the Company's ability to recover the loss in respect of the Claim or Liability under any applicable policy of insurance maintained by the Company;

5.1.4 take all steps and carry out all actions reasonably required to recover under any applicable policy of insurance and, if applicable, assist the Company in taking all steps and carrying out all actions reasonably required to obtain such recovery;

5.1.5 except where the Claim is brought by the Company or a Group Company forward a copy of every letter, claim or other document reasonably relevant to such a Claim or Liability to the Company as soon as reasonably practicable after receipt;

5.1.6 except where the Claim is brought by the Company or a Group Company and save as required by law, not make, or permit to be made on his behalf, any admission, compromise, release, waiver, offer or payment relating to the Claim or Liability or take any other action reasonably likely to prejudice the ability to defend such a Claim, in each case without the prior written consent of the Company; and

5.1.7 except where the Claim is brought by the Company or a Group Company and subject to applicable law and regulation, give full co-operation and provide such information as the Company may reasonably require in relation to such Claim, and do everything that the Company may reasonably request to avoid, dispute, resist, appeal, compromise or defend such Claim.

6. PAYMENTS

6.1 The Company shall, in the event that a payment is made to the Indemnified Person under this Deed in respect of a particular Liability, be entitled to recover from the Indemnified Person an amount equal to any payment received by the Indemnified Person under any policy of insurance whose premiums are paid by the Company or from any other third party source to the extent that such payment relates to the Liability, or if the payment received by the Indemnified Person is greater than the payment made under this Deed, a sum equal to the payment made under this Deed. The Indemnified Person shall pay over such sum promptly upon the Company's request.

6.2 The Company shall pay such amount to the Indemnified Person as shall after the payment of any tax thereon leave the Indemnified Person with sufficient funds to meet any Liability to which this Deed applies. For the avoidance of doubt, when calculating the amount of any such tax the amount of any tax deductions, credits or reliefs which are or may be available to the Indemnified Person in respect of the relevant payment under this Deed received by the Indemnified Person or any payment made by the Indemnified Person to a third party in respect of the relevant Liability is to be taken into account. In the event that any amount is paid to the Indemnified Person under this Deed but a tax deduction, credit or relief is (or becomes) available to the Indemnified Person in respect of the relevant payment under this Deed, or in respect of any payment made by the Indemnified Person to a third party in respect of the relevant Liability, which was not taken into account in calculating the amount payable in respect of the relevant payment under this Deed, the Indemnified Person shall make a payment to the Company of such an amount as is equal to the benefit of such deduction, credit or relief which was not taken into account.

7. GENERAL

Assignment

7.1 The Company may at any time assign all or part of the benefit of, or its rights and benefits under, this Deed to any Group Company.

7.2 The Indemnified Person shall not assign, or purport to assign, all or any part of the benefit of, or his rights and benefits under, this Deed (although this shall not prevent all or any part of the benefit of, or his rights or benefits under, this Deed passing to the estate of the Indemnified Person).

Severance

7.3 If any provision or part of any provision of this Deed is or becomes invalid or unenforceable in any respect under the law of any relevant jurisdiction, such invalidity or unenforceability shall not affect:

7.3.1 the validity or enforceability in that jurisdiction of any other provision of this Deed; or

7.3.2 the validity or enforceability under the law of any other jurisdiction of that or any other provision of this Deed.

7.4 If any provision of this Deed is or becomes invalid or unenforceable in any respect under the law of any jurisdiction, but would be valid and enforceable if some part of the provision were deleted, the provision in question shall apply with such deletion as may be necessary to make it valid and enforceable.

Conflicts

7.5 In so far as the provisions of this Deed conflict with any of the provisions of any Applicable Law, the provisions of the Applicable Law shall take precedence.

Variation and waiver

7.6 No variation of this Deed shall be effective unless it is in writing (which for this purpose, does not include email) and signed by or on behalf of each of the Parties. The expression “variation” includes any variation, supplement, deletion or replacement, however effective.

7.7 No waiver of any right or remedy under this Deed or provided by law shall be effective unless it is in writing and signed by the Party granting it.

7.8 The failure to exercise, or delay in exercising, any right or remedy under this Deed or provided by law shall not:

7.8.1 constitute a waiver of that right or remedy;

7.8.2 restrict any further exercise of that right or remedy;

7.8.3 affect any other rights or remedies.

7.9 A single or partial exercise of any right or remedy shall not prevent any further or other exercise of that right or remedy or the exercise of any other right or remedy.

Termination

7.10 This Deed shall continue until and terminate upon the later of: (a) ten (10) years after the date that the Indemnified Person shall have ceased to serve as [director/officer] of the Company or (b) one (1) year after the final termination of any proceeding, including any appeal, then pending in respect of which the Indemnified Person is granted rights of indemnification or advancement hereunder.

7.11 This Deed does not modify or waive any of the duties which the Indemnified Person owes as a director (if applicable) as a matter of law or under the rules of any relevant stock exchange or other regulatory body.

Third Party Rights

7.12 A person who is not a party to this Deed shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

No set off

7.13 The Parties shall pay all amounts due under this Deed in full without any set-off or counterclaim whatsoever and without any deduction or withholding, except as expressly provided in this Deed or to the extent required by any applicable law.

Entire Agreement

7.14 This Deed constitutes the entirety of any indemnity and funding obligation given by the Company to the Indemnified Person. It supersedes and expressly terminates with immediate effect all prior arrangements between the Company and the Indemnified Person whether written or oral which in any way purport to indemnify him in his capacity as a [director/officer] of the Company or any Group Company.

Confidentiality

7.15 The Company and the Indemnified Person shall treat as strictly confidential and not disclose or use any information received or obtained as a result of entering into or performing this Deed which relates to:

7.15.1 a Claim or Liability or any matter which results or may result in a Claim or Liability; or

7.15.2 any payment made under clause 3.

7.16 Clause 7.15 shall not prohibit disclosure of any information if and to the extent:

7.16.1 the disclosure or use is required by law, any regulatory body or recognised stock exchange on which the shares of the Company or any Group Company are listed;

7.16.2 the disclosure or use is required for the purpose of any judicial proceedings arising out of this Deed;

7.16.3 the disclosure is made to professional advisers, insurers or broker of the Company or the Indemnified Person, or by the Company to its directors and employees and directors and employees of any Group Company who need to know such information to discharge their duties, on terms that such professional advisers, insurers, brokers, directors or employees agree to keep such information confidential;

7.16.4 the disclosure is reasonably required in connection with any other employment, office, directorship or consultancy held by an Indemnified Person (which, where applicable, will extend to permit disclosures, directly or indirectly, to limited partners, professional advisers, insurers or brokers of the third party with whom the Indemnified Person holds such a role) on terms that such third party recipient agrees to keep such information confidential;

7.16.5 the information is or becomes publicly available (other than by breach of this Deed); or

7.16.6 the other Party has given prior approval to the disclosure or use,

provided that prior to disclosure or use by either Party of any information pursuant to this sub-clause, that Party shall promptly notify the other Party of such requirement.

7.17 The provisions of clauses 7.15 and 7.16 shall continue to apply after the termination of the Indemnified Person's appointment as a director of the Company and/or any Group Company without any limitation in time.

Governing Law and Jurisdiction

7.18 This Deed and any dispute or claim arising out of or in connection with it or its subject matter, existence, negotiation, validity, termination or enforceability (including non-contractual disputes or claims) shall be governed by and construed in accordance with English law.

7.19 Each Party irrevocably agrees for the benefit of the Company that the Courts of England shall have non-exclusive jurisdiction in relation to any dispute or claim arising out of or in connection with this Deed or its subject matter, existence, negotiation, validity, termination or enforceability (including non-contractual disputes or claims).

This Indemnity has been executed as a Deed and is delivered on the date shown above.

EXECUTED and delivered)
as a DEED by **NUCANA plc**)
acting by)
a director, in the presence of:) _____
Director

_____
Signature of Witness

_____
Name of Witness

_____
Address of Witness

_____

EXECUTED and delivered)
as a DEED by)
[Insert name of Indemnified Person]) _____
in the presence of:)

_____
Signature of Witness

_____
Name of Witness

_____
Address of Witness

_____

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated June 26, 2017, except for Note 16, as to which the date is September 18, 2017, in the Registration Statement (Form F-1 333-220321) and related Prospectus of NuCana plc dated September 18, 2017.

/s/ Ernst & Young LLP

Edinburgh, Scotland

September 18, 2017

MINTZ LEVIN

One Financial Center
Boston, MA 02111
617-542-6000
617-542-2241 fax
www.mintz.com

September 18, 2017

VIA EDGAR & OVERNIGHT MAIL

Securities and Exchange Commission
Division of Corporation Finance
100 F Street, N.E. Washington, D.C. 20549
Attention: Division of Corporation Finance, Office of Healthcare and Insurance

Re: NuCana plc (formerly NuCana BioMed Limited)
Registration Statement on Form F-1
Filed September 18, 2017
File No. 333-220321

Ladies and Gentlemen:

We are submitting this letter on behalf of NuCana plc (formerly NuCana BioMed Limited) (the "**Company**") in response to comments from the staff (the "**Staff**") of the Securities and Exchange Commission (the "**Commission**") received by letter dated September 12, 2017 (the "**Comment Letter**") from the Division of Corporation Finance, Office of Healthcare and Insurance, to Hugh Griffith, Chief Executive Officer of the Company, relating to the above-referenced Registration Statement. In conjunction with this letter, the Company is filing an amended registration statement on Form F-1 (the "**Amended Registration Statement**") via EDGAR.

For convenient reference, we have set forth below in italics each of the Staff's comments set forth in the Comment Letter and have keyed the Company's responses to the numbering of the comments and the headings used in the Comment Letter. All of the responses are based on information provided to Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. ("**Mintz Levin**") by representatives of the Company. Where appropriate, the Company has responded to the Staff's comments by making changes to the disclosure in the Registration Statement. Page numbers referred to in the responses reference the applicable pages of the Registration Statement.

We are providing by overnight delivery to your attention five courtesy copies of this letter and copies of the Amended Registration Statement that have been marked to show changes from the Registration Statement.

Notes to the Unaudited Consolidated Interim Financial Statements

10. Share Capital and Share Premium, page F-11

Comment 1: We note your adjustment of £42.5 million from share premium to retained earnings as a result of the execution of the solvency statement on June 29, 2017. Tell us

how you considered reporting the amounts in question in a separate line item outside of retained earnings, given that the £42.5 million does not represent an accumulation of historical earnings.

Response 1:

In response to the Staff's comment, and further to the teleconference conversation on September 11, 2017 among Keira Nakada and Kenneth Vaughn of the Staff, Don Munoz of the Company, representatives of Mintz Levin, and representatives of Ernst & Young LLP, the Company has revised its disclosure by presenting the reduction in share premium of £42.5 million in a separate reserve called "Capital reserve". This capital reserve has been grouped with "Other reserves" on the Company's consolidated statement of financial position on page F-4 of the Amended Registration Statement. The corresponding note 11 to the Company's unaudited consolidated interim financial statements, on page F-12 of the Amended Registration Statement, has been added to show the movements of the balances within each category of other reserves. This revision makes it clear that the Company has an accumulated deficit representing historical losses brought forward.

In addition, as requested by the Staff in the teleconference conversation on September 15, 2017 among Kenneth Vaughn of the Staff and representatives of Mintz Levin, please see below additional detail regarding the English law reasons for the reduction in share premium. Under section 755 of the UK Companies Act 2006 (the "**CA 2006**"), a private limited company is prohibited from offering any of its securities to the public. The Company was originally incorporated as a private limited company. Accordingly, in order to proceed with an offering of its securities on a securities exchange, it was necessary for the Company to first re-register from a private limited company to a public limited company in accordance with the procedure set out in sections 90 to 96 of the CA 2006. One of the conditions to be satisfied in order for a private company to so re-register is that the net asset requirements set out in section 92 of the CA 2006 must be met. Section 92 of the CA 2006 requires, *inter alia*, that at certain reference dates associated with the re-registration process (including as at the date of re-registration itself), a company's net assets must not be less than the aggregate of its called-up share capital and undistributable reserves (the "**Net Asset Requirement**"). As the Company's net assets were, at the relevant time, less than the aggregate of its called-up share capital and undistributable reserves, in order for the Company to be in a position to meet the Net Asset Requirement, the Company undertook a reduction of its share capital on June 29, 2017 utilizing the solvency statement procedure set out in Chapter 10 of Part 17 of the CA 2006. As a consequence of this reduction of capital, the share premium account of the Company was reduced by £42.5 million, from £42.8 million to £0.3 million and the amount by which the share premium account was so reduced constitutes the capital reserve described in the prior paragraph. Following the reduction of capital, the Company re-registered from a private limited company to a public limited company on August 29, 2017.

Notes to the Consolidated Financial
Statements 2. Significant Accounting Policies
Intangible Assets, page F-20

Comment 2: *We continue to believe you have not adequately demonstrated that the pattern of expected consumption of the economic benefits of the patents in question can be reliably estimated to match the pattern of the reverse sum-of-the-years-digits amortization methodology you have selected. However, based on your assertion that the amortization expense amounts under the reverse sum-of-the-years digits methodology for these patents is not materially different from the amounts under the straight-line amortization method for the periods presented, we do not object to the amounts presented as amortization expense for these periods.*

Response 2:

The Company respectfully acknowledges the Staff's comment.

* * * * *

We hope that the above responses and the related revisions reflected in the Amended Registration Statement will be acceptable to the Staff. Please do not hesitate to call me, William C. Hicks, William T. Whelan or Adam Davey of this firm at (617) 542-6000 with any comments or questions regarding the Amended Registration Statement and this letter. We thank you for your time and attention.

Sincerely,

/s/ John T. Rudy
John T. Rudy

cc: *Securities and Exchange Commission*
Keira Nakada
Kenneth Vaughn
Jeffrey Gabor
Mary Beth Breslin

NuCana plc
Hugh S. Griffith
Donald Munoz

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
William C. Hicks
William T. Whelan

Adam Davey

Cooley LLP
Divakar Gupta
Brent B. Siler
Courtney T. Thorne