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**Mootral Holdings Ltd**

**SAFE**

**(Simple Agreement for Future Equity)**

THIS Simple Agreement for Future Equity (“SAFE”) is entered into by and between \_\_\_\_\_, a \_\_\_\_\_ resident who resides at \_\_\_\_\_ (the “Investor”) and Mootral Holdings Limited (the “Company”) with business address at Units G-H, Roseheyworth Business Park, Abertillery, Blaenau Gwent, United Kingdom, NP13 1SX on \_\_\_\_\_ (the “Effective Date”), in connection with the payment by Investor to Company of the Purchase Amount and the issuance by the Company to Investor of certain rights to shares of the Company’s capital stock, and is subject to the terms set forth below.

The “Purchase Amount” is the aggregate amount paid by Investor to Company under this SAFE, which is \_\_\_\_\_ (or the equivalent amount of GBP, calculated based on the currency exchange rate between USD and GBP of 1 GBP = US \$1.37) and which shall be paid by the Investor to the Company on the Effective Date by wire transfer of immediately available funds, with value as of the Effective Date and for same day receipt, without any deduction of any fees, taxes, commissions or other costs. No interest will be paid on the Purchase Amount.

The “Pre-Money Valuation Cap” is GBP 18,886,500 (US \$25,893,392).

The “Discount Price” is 20%.

This SAFE is one of a series (the “Series”) of simple agreements for future equity (collectively, the “Series 1 SAFEs”) issued by the Company to investors with identical terms and on the same form as set forth herein (except that the holder, investment amount and date of issuance may differ in each SAFE). See Section 2 for certain additional defined terms.

1. **Events**

(a) **Equity Financing.** If there is an Equity Financing before the expiration or termination of this instrument, the Company will automatically issue to the Investor a number of shares of SAFE Preferred Stock equal to the Purchase Amount divided by the Conversion Price.

In connection with the issuance of SAFE Preferred Stock by the Company to the Investor pursuant to this Section 1(a), the Investor will execute and deliver to the Company all transaction documents related to the Equity Financing; *provided*, that such documents are the same documents to be entered into with the purchasers of Standard Preferred Stock, with appropriate variations for the SAFE Preferred Stock if applicable, and *provided further*, that such documents have customary exceptions to any drag-along applicable to the Investor, including, without limitation, limited representations and warranties and limited liability and indemnification obligations on the part of the Investor. In particular, both Parties shall ensure (i) the convening of a general meeting of stockholders, as well as the resolution on the implementation of a capital increase in which the Investor can subscribe for the SAFE Preferred Stock, (ii) to undertake to waive the subscription rights to the corresponding extent and (iii) the subscription of the Investor to the respective number of Preferred Stock within the course of the capital increase.

The Investor and the Company will execute a Pro Rata Rights Agreement, unless the Investor is already included in such rights in the transaction documents related to the Equity Financing

(b) **Liquidity Event**. If there is a Liquidity Event before the expiration or termination of this instrument, the Investor will, at its option, either (i) receive a cash payment equal to the Purchase Amount (subject to the following paragraph) or (ii) automatically receive from the Company a number of shares of Common Stock equal to the Purchase Amount divided by the Liquidity Price, if the Investor fails to select the cash option.

In connection with this Section (1)(b), the Purchase Amount will be due and payable by the Company to the Investor immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay the Investor and holders of other SAFEs (collectively, the “**Cash-Out Investors**”) in full, then all of the Company’s legally distributable, available funds will be distributed with equal priority and *pro rata* among the Cash-Out Investors in proportion to their Purchase Amounts, and the Cash-Out Investors will automatically receive the number of shares of Common Stock equal to the remaining unpaid Purchase Amount divided by the Liquidity Price.

(c) **Dissolution Event**. If there is a Dissolution Event before this instrument expires or terminates, the Company will pay an amount equal to the Purchase Amount, due and payable to the Investor in the course of the consummation of the Dissolution Event. The Purchase Amount will be paid prior and in preference to any Distribution of any of the assets of the Company to holders of outstanding Capital Stock by reason of their ownership thereof. If immediately prior to the consummation of the Dissolution Event, the assets of the Company legally available for distribution to the Investor and all holders of all other SAFEs (the “**Dissolving Investors**”), as determined in good faith by the Company’s board of directors, are insufficient to permit the payment to the Dissolving Investors of their respective Purchase Amounts, then the entire assets of the Company legally available for distribution will be distributed with equal priority and *pro rata* among the Dissolving Investors in proportion to the Purchase Amounts they would otherwise be entitled to receive pursuant to this Section 1(c).

(d) **Termination**. This instrument will expire and terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this

instrument) upon either (i) the issuance of stock to the Investor pursuant to Section 1(a) or Section 1(b); or (ii) the payment, or setting aside for payment, of amounts due the Investor pursuant to Section 1(b) or Section 1(c).

## 2. *Definitions*

(a) “**Capital Stock**” means the capital stock of the Company, including, without limitation, the common stock and all series of preferred stock of the Company.

(b) “**Change of Control**” means (i) a transaction or series of related transactions in which any “person” or “group”, becomes a “person with significant control” or “relevant legal entity” (as defined in s790C Companies Act 2006) by way of holding, directly or indirectly, more than 50% of the voting rights in the Company and having the right, directly or indirectly, to appoint or remove a majority of the board of directors of the Company, (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

(c) “**Company Capitalization**” means the sum, as of immediately prior to the Equity Financing, of: (i) all shares of Capital Stock (on an as-converted basis) issued and outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but excluding (A) this instrument, (B) all other SAFEs, and (C) convertible promissory notes; and (ii) all shares of Common Stock reserved and available for future grant under any equity incentive or similar plan of the Company, and/or any equity incentive or similar plan to be created or increased in connection with the Equity Financing.

(d) “**Conversion Price**” means the either: (1) the SAFE Price or (2) the Discount Price, whichever calculation results in a greater number of shares of SAFE Preferred Stock.

(e) “**Discount Price**” means a price per share that is the Discount less than the price of the Standard Preferred Stock sold in the Equity Financing multiplied by the Discount Rate.

(f) “**Distribution**” means the transfer to holders of Capital Stock by reason of their ownership thereof of cash or other property without consideration whether by way of dividend or otherwise, other than dividends on Common Stock payable in Common Stock, or the purchase or redemption of Capital Stock by the Company or its subsidiaries for cash or property other than: (i) repurchases of Common Stock held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to an agreement providing, as applicable, a right of first refusal or a right to repurchase shares upon

termination of such service provider's employment or services; or (ii) repurchases of Capital Stock in connection with the settlement of disputes with any stockholder.

(g) **"Dissolution Event"** means (i) a voluntary termination of operations, (ii) a general assignment for the benefit of the Company's creditors or (iii) any other liquidation, dissolution or winding up of the Company (**excluding** a Liquidity Event), whether voluntary or involuntary.

(h) **"Equity Financing"** means a bona fide transaction or series of transactions with the principal purpose of raising capital, pursuant to which the Company issues and sells preferred stock at a fixed pre-money valuation.

(i) **"Initial Public Offering"** means the closing of the Company's first firm commitment underwritten initial public offering of Common Stock.

(j) **"Liquidity Capitalization"** means the number, as of immediately prior to the Liquidity Event, of shares of Capital Stock (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, but **excluding**: (i) shares of Common Stock reserved and available for future grant under any equity incentive or similar plan; (ii) this instrument; (iii) other SAFEs; and (iv) convertible promissory notes.

(k) **"Liquidity Event"** means (i) a Change of Control or (ii) an Initial Public Offering.

(l) **"Liquidity Price"** means the price per share equal to the Pre-Money Valuation Cap divided by the Liquidity Capitalization.

(m) **"Pro Rata Rights Agreement"** means a written agreement between the Company and the Investor (and holders of other SAFEs, as appropriate) giving the Investor a right to purchase its *pro rata* share of private placements of securities by the Company **occurring after the Equity Financing**, subject to customary exceptions. *Pro rata* for purposes of the Pro Rata Rights Agreement will be calculated based on the ratio of (1) the number of shares of Capital Stock owned by the Investor immediately prior to the issuance of the securities to (2) the total number of shares of outstanding Capital Stock on a fully diluted basis, calculated as of immediately prior to the issuance of the securities.

(n) **"Requisite Holders"** means the holders of a majority-in-interest of the aggregate investment amount of all Series 1 SAFEs.

(o) **"SAFE"** means **"Simple Agreement for Future Equity"**, an instrument containing a future right to shares of Capital Stock, similar in form and content to this instrument, purchased by investors for the purpose of funding the Company's business operations.

(p) **"SAFE Preferred Stock"** means the shares of a series of preferred stock issued to the Investor in an Equity Financing, having the identical rights, privileges, preferences and restrictions as the shares of Standard Preferred Stock, other than with

respect to: (i) the per share liquidation preference and the conversion price for purposes of price-based anti-dilution protection, which will equal the Conversion Price; and (ii) the basis for any dividend rights, which will be based on the Conversion Price.

(q) “**SAFE Price**” means the price per share equal to the Pre-Money Valuation Cap divided by the Company Capitalization.

(r) “**Standard Preferred Stock**” means the shares of a series of Preferred Stock issued to the investors investing new money in the Company in connection with the initial closing of the Equity Financing.

### **3. *Company Representations***

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the country of its incorporation, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by the Company of this instrument is within the power of the Company and, other than with respect to the actions to be taken when equity is to be issued to the Investor, has been duly authorized by all necessary actions on the part of the Company. This instrument constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. To the knowledge of the Company, it is not in violation of (i) its current articles of association or constitutional documents, (ii) any material statute, rule or regulation applicable to the Company or (iii) any material indenture or contract to which the Company is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(c) The performance and consummation of the transactions contemplated by this instrument do not: (i) violate any material judgment, statute, rule or regulation applicable to the Company; (ii) result in the acceleration of any material indenture or contract to which the Company is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to the Company, its business or operations.

(d) No consents or approvals are required in connection with the performance of this instrument, other than: (i) the Company’s corporate approvals; (ii) any qualifications or filings under applicable securities laws; and (iii) necessary corporate approvals for the authorization of Capital Stock issuable pursuant to Section 1.

(e) To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms) sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes and other intellectual property rights necessary for its business as now conducted and as currently proposed to be conducted, without any conflict with, or infringement of the rights of, others.

#### **4. *Investor Representations***

(a) The Investor has full legal capacity, power and authority to execute and deliver this instrument and to perform its obligations hereunder. This instrument constitutes valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) The Investor is an accredited investor as such term is defined in Rule 501 of Regulation D under the U.S. Securities Act. The Investor has been advised that this instrument and the underlying securities have not been registered under the Securities Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. The Investor is purchasing this instrument and the securities to be acquired by the Investor hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing the Investor's financial condition and is able to bear the economic risk of such investment for an indefinite period of time.

#### **5. *Miscellaneous***

(a) This SAFE constitutes the full and entire understanding and agreement between the parties with regard to the subject hereof. The Company's agreements with each of the holders of the Series 1 SAFEs are separate agreements, and the sales of the SAFEs to each of the holders thereof are separate sales. Notwithstanding the foregoing, any term of this SAFE and the other Series 1 SAFEs may be amended and the observance of any term may be waived (either generally or in a particular instance and either retroactively or prospectively) with the written consent of the Company and the Requisite Holders. Any waiver or amendment effected in accordance with this Section 5(a) will be binding upon each holder of a Series 1 SAFE and each future holder of all such Series 1 SAFEs

(b) Any notice required or permitted by this instrument will be deemed sufficient when delivered personally or by courier or sent by email to the relevant address listed on the signature page, addressed to the party to be notified at such party's address listed on the signature page, as subsequently modified by written notice.

(c) At the time of the Investor pays the Purchase Price, the Investor will not directly or indirectly become a stockholder of the Company, and the Investor is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of Capital Stock for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise until shares have been issued upon the terms described herein.

(d) Neither this instrument nor the rights contained herein may be assigned, by operation of law or otherwise, by either party without the prior written consent of the other; *provided, however*, that this instrument and/or the rights contained herein may be assigned without the Company's consent by the Investor to any other entity who directly or indirectly, controls, is controlled by or is under common control with the Investor, including, without limitation, any general partner, managing member, officer or director of the Investor, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, the Investor; and *provided, further*, that the Company may assign this instrument in whole, without the consent of the Investor, in connection with a reincorporation to change the Company's domicile.

(e) In the event any one or more of the provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this instrument operate or would prospectively operate to invalidate this instrument, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this instrument and the remaining provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(f) All rights and obligations hereunder will be governed by the laws of England and Wales, without regard to the conflicts of law provisions of such jurisdiction. Any disputes, controversy or claim arising out of, or in relation to, this contract, including the validity, invalidity, breach, or termination thereof, shall be resolved by arbitration in accordance with the LCIA Arbitration Rules. The number of arbitrator shall be one; the seat of the arbitration shall be London. The arbitral proceedings shall be conducted in English.

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered as of the Effective Date first set forth above.

**Mootral Holdings Limited**

By:  
Name: Thomas Hafner  
Title: Group CEO

E-Mail Address: thafner@mootral.com  
Mailing Address: Units G-H, Roseheyworth  
Business Park, Abertillery, Blaenau Gwent, United  
Kingdom, NP13 1SX

**INVESTOR:**

By: \_\_\_\_\_  
Name:

E-Mail Address:  
Mailing Address: