

SHAREHOLDERS' AGREEMENT

Thisth day of 202....., by and between:

1. (hereafter **RK**).
 2. (hereafter **KK**).
 3. (hereafter **DS**).
 4. (hereafter **IV**).
 5. (hereafter **PCH**).
 6. (hereafter **EP**).
 7. ... the new investor (hereafter **ABC**).
 8. **LTD**, a legal entity established and organized under the laws of Cyprus, with a registered office at [this is the target Company to which the other parties are shareholders] (hereafter the **Company**).
- RK, KK, DS, IV, PCH and EP shall be referred to hereafter collectively as "Existing Shareholders" and RK, KK, DS, IV, PCH, EP, ABC and the Company shall be referred to hereafter collectively as "the Parties"

WHEREAS:

RK and KK are the founders of the Company (hereafter referred to collectively as "Founders"). On 2016 they developed artificial intelligence relating to On 2017 the have founded the Company to develop further and commercialize this technology.

RK, KK, DS, IV, PCH and EP are already shareholders of the Company and wish to proceed with a capital increase, whereby they will waive their preference rights to the issuance of new shares, so as to enable ABC to invest in the Company and become a shareholder as well.

The Company is also the sole shareholder of 100% of the share capital of the Greek entity "XYZ*** Private Company (IKE)", having its registered seat in (hereafter **Subsidiary**).

The parties wish to agree how the Company (to which they are or they will become shareholders) and the Subsidiary will be funded, managed and administered, as well as certain shares' transfers restrictions which the parties consider necessary for a fair exit strategy.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

I. Shareholding Structure of the Company

1.(a) The authorized share capital of the Company is, as of the date hereof, €2.045 divided into:

- 5.750 Class A Shares of €0,10 each
- 5.750 Class B Shares of €0,10 each
- 3.000 Class C Shares of €0,10 each
- 2.050 Class D Shares of €0,10 each
- 1.750 Class E Shares of €0,10 each
- 2.150 Class Z Shares of €0,10 each.

of which the following shares have not yet been issued:

- 273 Class D Shares of €0,10 each
- 1250 Class E Shares of €0,10 each
- 2150 Class Z Shares of €0,10 each

(b) The current shareholding structure of the Company is as follows:

Shareholder	Class of Shares	Issued Shares	Ownership
RK	Class A	5,750	34,27%
KK	Class B	5,750	34,27%
DS	Class C	3,000	17,88%
IV	Class D	1065	10.60%
PCH	Class D	712	
EP	Class E	500	2,98%
Total		16,777	100%

2. The Parties agree and undertake that the following changes shall take place in view of the entry of a new shareholder and they will vote in such way in order to effect the below:

(a) The authorized share capital of the Company shall be

Με σχόλια [CC1]: CONSIDER WHAT COMPLEXITIES ARISE WHEN THE COMPANY WHICH IS THE SUBJECT MATTER OF THE INVESTMENT HAS A SUBSIDIARY?

Με σχόλια [CC2]: WHAT "CLASSES OF SHARES" ARE AND WHY ARE THEY HELPFUL?

increased as follows:

(i) by the creation of 480 Class E non-voting shares so that the total number of Class E Shares shall be 2.230,

by the creation of 4019 Class Z shares so that the total number of Class Z Shares shall be 6.169.

and **reduced** by the cancellation of 273 Class D Shares of €0,10 each.

(b) All of the 6.169 Class Z Shares shall be issued and allotted to ABC in consideration of a total price per share equal to € 486.30, i.e. € 0,1 as par value per share and € 486.20 as premium per share, and all of the Existing Shareholders shall waive their preemption right to this effect.

(c) ABC shall pay to the Company € **2,999,984.70**, (the "**Purchase Price**") i.e. 6.169 shares X € 486.30. On allotment, ABC shall pay to the Company the amount of €249,967.88, representing the par value of the shares (i.e. 6.169 X 0,10 = € 616.9) and part of the premium price (i.e., 6.169 X € 40.42 = €249,350.98). The balance of the premium price (i.e. €2.750.016,82) shall be paid within two months from the allotment.

(d) The Share Certificates to be issued and allotted to ABC shall be marked as partly paid and shall be replaced by fully paid Share Certificates upon settlement of the Purchase Price.

3. After the above mentioned changes,

(a) the authorized share capital of the Company will be €2.467,60 divided into:

- 5.750 Class A Shares of €0,10 each
- 5.750 Class B Shares of €0,10 each
- 3.000 Class C Shares of €0,10 each
- 1.777 Class D Shares of €0,10 each
- 2.230 Class E Shares of €0,10 each
- 6.169 Class Z Shares of €0,10 each,

(B) the shareholding structure of the Company shall be as follows:

Shareholder	Class	Issued shares	Ownership%
RK	Class A	5750	25,06
KK	Class B	5750	25,06
DS	Class C	3000	13,07
IV	Class D	1065	4,64
PCH	Class D	712	3,10
EP	Class E	500	2,18
ABC	Class Z	6169	26,88
TOTAL		22.946	100%

4. The Company has activated an Employees Shares' Option Plan (ESOP). Currently, option rights for 792 Class E non-voting shares have been granted to employees or other collaborators of the Company and its Subsidiary.

5. The Founders provide to ABC the warranties set out in Annex B hereof and the Parties provide to each other the warranties set out in Annex C hereof. Each Founder shall be liable towards ABC for any loss arising out of any breach of the Founders' Warranties for three years as of the date hereof, subject to the limitations set forth herein with the exception of fraud and wilful misconduct of the Founders. The liability of each Founder with respect to the Founders' Warranties are joint and several. The aggregate liability of each Founder shall not exceed three times the annual salary of such Founder. However, ABC shall not be entitled to bring a claim against the Founders for breach of the Founders' Warranties, unless the amount of such claim exceeds € 50,000.

II. Rights arising out of shares

1. Class A, B, C, D and Z shares have the following basic rights:

- right to participate to General Assemblies of Shareholders' and vote
- right to participate to dividends
- right to distributions in case of liquidation
- right of preference in issues of new shares
- right to appoint one member to the Board of Directors of the Company
- veto rights arising from Reserved Matters arrangements
- information rights.

Each of Class D and Class Z shares shall have the right to appoint one member on the Board of Directors, provided that, each retains a participation of at least 5% to the issued share capital of the Company. Each member of the Board may invite an observer to attend meetings.

2. Class Z shares shall enjoy priority against all other shareholders with respect to distributions in case of liquidation; in particular, Class Z shares shall receive in priority against all other shareholders either the amount equal to their total contribution to the Company (par value plus premium, i.e. € 2,999,984.70 plus 6% interest per

annum); such interest shall be compounded annually or the distribution amount resulting from the proceeds of liquidation, whichever is greater.

3. With respect to the preference right in issuance of new shares, the following shall apply, in case Class Z shareholder agrees to proceed with such issuance (pursuant to Clause VI hereof): if new shares are issued by the Company at a price per share which equates to less than €486.30, then the Company shall, unless holders of Class Z shares have specifically waived in writing their rights to such, issue to the holders of Class Z shares a number of new Class Z shares determined by a broad-based weighted anti-dilution calculation, as per the formula in Annex D hereof. These anti-dilution shares shall be paid up by the automatic capitalisation of available reserves of the Company, unless and to the extent that the same shall be impossible or unlawful or if holders of Class Z shares shall agree otherwise, in which event the holders of Class Z shares shall be entitled to subscribe for the anti-dilution shares in cash at par value up to a maximum number of 500 shares. It is clarified that above anti-dilution clause will not be triggered if ABC has exercised a veto on a budget decision two times or more.

4. Class E shares are non-voting shares; they enjoy rights relating only to dividends and distributions in case of liquidation.

III. Purpose of the Company

The purpose of the Company is to commercialize products and services relating to the technology developed by the Founders

The purpose of the Subsidiary is the software development relating to the technology developed by the Founders

IV. Contributions and funding of the Company

1. The founders have contributed to the Company their employment and the results of their scientific research, including machine learning algorithms and associated intellectual property rights.

2. All shareholders have contributed to the Company the par value and the premium of their shares. All shareholders shall actively assist the Company by making available to it commercial contacts, by referring to it potential clients, by providing organizational and administrative assistance and guidance, as well as in any other commercially reasonable respect.

3. Except as otherwise provided in this Agreement, no shareholder shall be obliged to provide any capital to the Company and/or the Subsidiary by way of subscription for new shares or by way of loans or by providing guarantees or other security. In case some shareholders believe that the Company and / or the Subsidiary is in need of additional funds, but other shareholders do not agree to a capital increase or to the Company borrowing funds, then the shareholders who believe that the Company needs to be funded shall be entitled to lend the Company the amount of money they believe is necessary at an interest rate of 4% per year on the basis of a 365 days calendar year. In the event that, after having exhausted all other available sources of external financing, a share capital increase, being a Reserved Matter, is resolved by the competent corporate body of the Company, each Shareholder has the right to participate to such share capital increase pro rata to its shareholding in accordance with the Articles of Association of the Company, unless otherwise agreed between the Parties.

V. Management of the Company

1. The Company shall be managed by a Board of Directors. Each Class of shares, save for Class E non-voting shares, shall be entitled to appoint and replace to the Board one director. Should the shareholders so wish, they may unanimously appoint a sixth member on the board, who shall be elected as a Chairman in board of directors and shareholders' meetings. The Chairman shall not have a casting vote. In case the Chairman is absent from a meeting, the other directors shall appoint a Chairman for this particular meeting. The company will pay the reasonable out of pocket expenses in respect of the Board of Director members as well as the out of pocket expenses of the observer invited by the BoD member that represents class Z shares. The Company shall have in place a director and officer liability insurance for the directors and officers thereof and any group company, in a form acceptable to Class Z shareholder.

2. The necessary quorum to convene a Board meeting shall not be less than half of its members, plus one more director.

3. Meetings of the Board shall be convened and held at such times as may be determined by the Board and in any event not less than once per calendar quarter at the registered offices of the Company or such other place as the Directors may from time to time determine. The Company Secretary will be obliged to convene a meeting of the Board upon the request of any Director or shareholder. Board meetings and related communications shall be prepared/conducted in the English language. Board meetings can also be held by teleconference or other electronic communication. The Board may pass resolutions without a meeting being held if all of the Directors of the Board sign minutes. Counterpart copies of such a document may be signed if the words of the resolution and statement are identical in each copy.

Με σχόλια [CC3]: WHAT IS THE IMPACT OF THIS CLAUSE?

4. The necessary quorum to convene a General Meeting of Shareholders shall not be less than 50% of the issued share capital with voting rights plus one more voting share. A General Meeting may be convened at the request of any Director or shareholder. General Meetings shall be convened and held at such times as may be determined by the shareholders and in any event not less than once per calendar year at the registered offices of the Company or such other place as the shareholders may from time to time determine. General Meetings and related communications shall be prepared/conducted in the English language. General Meetings can also be held by teleconference or other electronic communication. The shareholders may pass resolutions without a meeting being held if all of the shareholders sign minutes. Counterpart copies of such a document may be signed if the words of the resolution and statement are identical in each copy.

VI. Reserved Matters

1. The General Meeting shall be exclusively responsible in connection to resolutions relating to the following matters. Such resolutions shall always be unanimously taken by all holders of Class A, B, C, D and Z shares.

- Change the share capital structure by way of creation, allotment or issue of shares or the grant of any right to require the creation, allotment or issue of shares, including corporate mergers and spin offs, including issue and allotment of Class D shares.
- Amendments to the Articles of Incorporation and the Memorandum of Association of the Company.
- Distribution of dividends.
- Winding up the company.
- Issue of bonds or convertible bonds or equivalent.
- Change the number of the members of the Board of Directors.
- Approval of the annual financial accounts.
- Change the preference rights of the shareholders in the issuance of new shares.

2. The following Board of Directors resolutions shall always be unanimously taken by all the directors appointed by the holders of Class A, B, C, D and Z shares:

- Create any charge or security by the company or any subsidiary of the company.
- Acquire any new business, create joint ventures with third parties, shares or other securities or dispose of the shares of the Subsidiary
- Enter into any guarantee or indemnity in respect of the obligation of a third party.
- Approve or amend the Annual Business Plan and Budget of the Company.
- Sell or deal with assets other than in ordinary course of business.
- Issue and allocation of shares to new investors who are not past shareholders.

All parties understand that the above matters shall be resolved by the Board of Directors and not by the General Meeting.

3. By way of a resolution consented by each of the Directors appointed by Class A and B shares, the Board of Directors may appoint, dismiss or replace one or more executive directors, including the Chief Executive Officer and the Chief Technical Officer. By way of the same resolution the Board of Directors may grant to such executive directors sufficient authorizations and powers to carry on the day to day management of the Company and may assign to them all or part of its powers.

4. In the event that the Company and/or Subsidiary fails to agree on any Reserved Matter at the level of the Board if the Reserved Matter requires Board approval or at the level of the General Meeting, if the Reserved Matter falls under the competence of the General meeting of shareholders, ("Deadlock"), then, the Company or Subsidiary, as the case may be, shall proceed to the appointment of a qualified mediator who shall act in the best interest of the Company and/or the Subsidiary and the business plan, and the Parties shall use their best efforts to resolve the Deadlock through mediation.

VII. Simple majority resolutions by the Board of Directors

The following matters shall be resolved by the Board of Directors by way of simple majority:

- Appointment or replacement of company secretary
- Company commercial policy which has to be within the annual budget framework
- Company headcount which has to be within the annual budget framework
- Contracts with third parties with an annual cost above € 75,000
- Loans
- Appointment and dismissal of department heads and senior management
- Personnel gross salaries and contracts above € 50,000 per annum, and increases if after the increase the salary reaches above threshold.
- Decisions in reference of Employee stock ownership program.
- Related party transactions above € 20,000 per annum
- Founders contracts and salaries.

Με σχόλια [CC4]: PAY ATTENTION TO THE LIST OF RESERVED MATTERS AND TRY TO UNDERSTAND THE JUSTIFICATION FOR EACH RESERVED MATTER.

- Power of attorneys to company officers for corporate commitments

VIII. Annual Business Plan and Budget. Financial Reporting

1. The Board of Directors shall manage the Company and the Subsidiary on the basis of an annual business plan and budget.

2. The management of the Company and the Subsidiary will have the right to transfer amounts between the cost centers of the Company and of the Subsidiary up to 10% of the amount of each cost center, provided that the total annual cost must remain the same. There will be budget reviews every quarter and in case the company financial results or the product development deliverables are not as per the agreed budget, the Board of Directors will amend the budget.

3. In addition to audited annual financial accounts, the Board of Directors shall make available to shareholders unaudited quarterly management accounts of the Company and of the Subsidiary, and shall provide regularly financial and operational information to the Director appointed by Class Z shares or the Class Z shareholder.

IX. Share transfer restrictions

1. Until 15.09.2021 (Lock Up Period), the parties, with the exception of Class Z shares, shall not:

- sell, transfer or otherwise dispose of any of their shares in the Company and/or the Subsidiary or any interest in any of their shares therein.
- allow any of its shares in the Company and/or the Subsidiary, or any interest in any of its shares therein, to become subject to an encumbrance;
- enter into any agreement or arrangement in respect of the voting or other rights attached to any of its shares in the Company and/or the Subsidiary; or
- enter into any agreement or arrangement to do any of the foregoing.

2. After that date, and with respect to the holders of Class Z shares from the date of this agreement, the shares in the Company and/or the Subsidiary (and any subsidiary of the Company and/or the Subsidiary) shall be transferable subject to the following restrictions:

(a) In case one or more shareholders wish to transfer shares, the other shareholders (the “Other Shareholders”) shall enjoy a first option right to purchase such shares at the same price and on the same terms (**First Option Right**); and

(b) Provided that the shareholders who wish to transfer their shares represent at least 50% of the issued share capital plus one share, then, in case the above mentioned first option right is not exercised within thirty days as from notice, the Other Shareholders shall have a tag along right and shall be entitled to follow the shareholders wishing to sell their shares, that is, they will be entitled to sell their shares to the same purchaser at the same price and the same terms (**Tag Along Right**). However, in case the potential purchaser offers to buy 100% of the issued share capital for less than 25 mil. €, then the sale of all the issued shares of the Company must be approved by the holder of Class Z shares.

(c) Provided that the shareholders who wish to transfer their shares represent at least 50% of the issued share capital plus one share, then in case the abovementioned first option right is not exercised within thirty days as from notice, then the approving shareholders will have a drag along right whereby the Other Shareholders shall be obliged to transfer their shares to the third party purchaser at the same price and the same terms (**Drag Along Right**). However, in case the potential purchaser offers to buy 100% of the issued share capital for less than 25 mil. €, then the sale of all the issued shares of the Company must be approved by the holder of Class Z shares.

3. “Transfer” for the purpose of this clause includes any sale, transfer, alienation, assignment, donation, award or disposal in any other manner, directly or indirectly, of shares or relevant rights of first refusal with respect to share subscriptions or any interest in any of the shares, including voting rights, as well as imposing or creating any encumbrance on shares [i.e. any charge, pledge, lien, restriction, assignment, hypothecation, security interest, title retention, attachment, confiscation, or any other agreement or arrangement the effect of which is the creation of security, or any other interest, equity or other right of any person (including any right to acquire, option, right of first refusal or right of pre-emption), or any agreement or arrangement to create any of the same], whether in exchange for consideration or gratuitously.

X. Confidentiality, non-competition and non-solicitation

1. The shareholders of the Company and the members of the Board of Directors of the Company and of the Subsidiary shall treat as confidential and shall not disclose any and all information that comes to their attention relating to the business of the Company and of the Subsidiary, its affairs, its technology and intellectual property rights, its future business or technical plans, its strategy and its trade secrets to any third party, without the prior consent of the other shareholders.

2. By way of exception, the Parties accept and acknowledge that ABC is partially funded by public institutions such as Against such background, the Parties agree that representatives of such public institutions and their relevant supervising and controlling bodies shall be allowed to carry out audits and are given access to such

Με σχόλια [CC5]: CONSIDER WHAT IS THE IMPACT OF AN ANNUAL BUSINESS PLAN?

Με σχόλια [CC6]: TRY TO IDENTIFY WHICH ARE THE RESTRICTIONS REGARDING TRANSFER OF SHARES. TRY TO EXPLAIN WHAT IS THE JUSTIFICATION FOR EACH RESTRICTION.

Με σχόλια [CC7]: WHAT IS THE IMPACT OF THE FIRST OPTION RIGHT?

Με σχόλια [CC8]: WHAT IS THE IMPACT OF THE TAG ALONG RIGHT?

Με σχόλια [CC9]: WHAT IS THE IMPACT OF THE DRAG ALONG RIGHT?

information and documents concerning ABC's investment in the Company, as they may reasonably request. Further, the public institutions are granted the right to reasonably market their support of the Company and the Subsidiary and that ABC's investment in the Company benefits from the financial backing of *** and ***.

3. The Company agrees and procures that the Subsidiary shall agree that the disclosure of information by *** may include (without limitation) details of the geographical background, industry sectors, size or turnover of the Company and its Subsidiary and details of the founders, owners, and management of the Company, whether on an individual or aggregated basis, provided that *** shall not publicly disclose any such information, save to the extent required by applicable law or regulation.

4. The executive members of the Board of Directors and key executives of the Company and of the Subsidiary shall also be bound by a non-competition obligation towards the Company and the Subsidiary respectively, and shall not perform or carry on or be engaged or committed to carry, professionally or occasionally, directly or indirectly, including through family members or as parties, partners, members of board of directors, managers, employees or in any other way as agents of other companies, any business or commercial activity competing with the one carried by the Company and/or its Subsidiary or any other group company, and/or engage directly or indirectly or through any entity directly or indirectly controlled by it without the prior written consent of the Shareholders.

5. The Parties hereof shall not, directly or indirectly, attempt to recruit, solicit or otherwise contact key employees and executive members of the Board of Directors of the Company or the Subsidiary or any group company, on behalf of themselves or any person or entity, either directly or as an agent or under any other capacity in order to solicit or induce such employee to accept employment or any business relationship with such another person or entity. This obligation shall cease to apply in case the Company is sold or in case its shares are offered to the public.

6. Such confidentiality and non-competition obligations shall last so long as the parties hold the relevant position in the Company and/or Subsidiary or their Board respectively, as well as for a period of two calendar years after they are removed or resign from their office.

XI. Agreements that remain in force

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XII. Notices

The parties agree to receive and accept notices to the following faxes, e mails and addresses:

XIII. Duration and termination

1. This Shareholders' Agreement shall remain in force as long as the Company remains to be registered with the Companies' House in Cyprus, unless terminated before that by written agreement of all the Parties or automatically terminated on the date upon which all of the shares of the Company are owned by one shareholder.

2. The parties agree that this Shareholders' Agreement cannot be terminated under any circumstances and for no cause and expressly waive any and all rights to termination or rescission, unless in writing by all Parties.

XIV. Prevalence of this Shareholders' Agreement

1. The parties agree that the Memorandum of Association of the Company shall be as per Annex A.

2. This Shareholders' Agreement shall prevail in the relationships between the parties, which means that the parties shall exercise their rights and perform their obligations under the Articles of Incorporation and the Memorandum of Association of the Company and/or the Subsidiary in such a manner as to give priority and full effect to the provisions of this Shareholders' Agreement. The parties shall procure their respective affiliates or related parties having any shares, as well as the directors and officers nominated by them, to act accordingly. The parties furthermore agree that, should the provisions of the Articles of Incorporation or the Memorandum of Association of the Company and/or the Subsidiary do not accurately and completely reflect the provisions of this Shareholders' Agreement, or if they contradict the provisions of this Shareholders' Agreement, then all issues arising out of the relationships between the parties or between the parties and the Company, shall be determined in accordance with this Shareholders' Agreement.

3. The parties agree that each of them shall cast its votes in order to give full effect to the provisions of this Shareholders' Agreement and to the rights and obligations provided hereunder; furthermore the parties agree to amend, where necessary, the Articles of Incorporation and the Memorandum of Association of the Company and/or the Subsidiary, so that they fully reflect the provisions of this Shareholders' Agreement.

4. It is clarified that the terms of this Shareholders agreement, and indicatively Clauses II, IV, V, VI, VII, VIII, IX and X, shall apply mutatis mutandis to the Subsidiary and any other subsidiary or other group company to be set up in the future by the Company or the Subsidiary, provided that the Company or the Subsidiary holds the majority of the shares or voting rights or appoints the majority of the Directors in such group company, as if the shareholders of the Company were direct shareholders in such Subsidiary or other group company, unless agreed

Με σχόλια [CC10]: WHAT IS OF MATERIAL IMPORTANCE IN CONNECTION TO TERMINATION OF A SHAREHOLDERS AGREEMENT?

Με σχόλια [CC11]: WHAT IS THE IMPACT OF THIS CLAUSE?

otherwise by all the shareholders in writing. The Articles of Association of the Subsidiary shall be amended at any time in order to reflect the relevant provisions, to the extent relevant.

XV. Miscellaneous

1. All amendments and modifications to this Shareholders' Agreement, are subject to the prior written approval of the parties for whom such amendments and modifications would have any consequence in law.
2. The existence and the provisions of this Shareholders' Agreement can be evidenced only in writing and the parties expressly waive the right to call witnesses or testimonies as to existence, the provisions and the contents of this Shareholders Agreement.
3. If any of the provisions hereof may be determined to be illegal or otherwise unenforceable, in whole, or in part, the remaining provisions, and any partially enforceable provisions to the extent enforceable, shall nevertheless be binding and enforceable.
4. Unless otherwise agreed in writing by all of the Parties, no Party may assign or transfer the benefit or burden of any of its rights or obligations under this Agreement in whole or in part (other than pursuant to a transfer of shares to a third party in accordance with the terms of this Agreement). Any purported assignment in breach of this clause shall not confer any rights or obligations on the purported assignee.
5. The construction, validity and performance of this Agreement and all non-contractual obligations (if any) arising from or connected with this Agreement shall be governed by the law of Cyprus without giving effect to any principles regarding conflict of laws. The Parties irrevocably agree that any claim or matter arising under or in connection with this Agreement (including any non-contractual claim) shall be referred upon the application of any Party to, and shall be finally and exclusively settled by arbitration of the International Chamber of Commerce (ICC) and according to its rules on arbitration, as such rules are in force from time to time. The arbitration shall be carried on by a single arbitrator appointed according to the rules of the ICC. The arbitration proceedings shall be held in Athens and the language of the arbitration shall be English. The provisions on expedite and urgent arbitration processes shall apply irrespective of the amount in dispute or the financial value of the dispute.

[signature page to follow]

IN WITNESS WHEREOFF the parties signed and executed this deed as follows:

Annex A
Memorandum of Association of the Company

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... ..

Annex B
Founders' Warranties

Each of the Founders hereby provides to ABC the following Warranties with respect to the Company and the Subsidiary as of the date hereof. For the avoidance of doubt, all Warranties refer both to the Company and to the Subsidiary, to the extent relevant, even if not mentioned expressly.

1. Capacity – Status of the Company

1.1. The Company is a company duly incorporated, validly existing and in good standing under the laws of Cyprus, and has full power to conduct its business as conducted. The Subsidiary is a company duly incorporated, validly existing and in good standing under the laws of Greece, and has full power to conduct its business as conducted.

1.2. The Company is registered on the Companies Register in Cyprus and the Subsidiary is registered on the General Commercial Registry in Athens, Greece. The Company and Subsidiary have not been dissolved and have not been put in voluntary liquidation, are not involved in any insolvency, liquidation or composition proceeding, have not been bankrupt nor a bankruptcy or winding up petition has been filed against them, nor a compulsory administration has been appointed to the Company nor a compulsory administration claim has been filed against it nor a mandatory liquidator has been appointed, nor a claim for a mandatory liquidator to be appointed has been filed and no proceeding for judicial or extra-judicial arrangement or settlement or compromise with their creditors nor is any such proceeding contemplated by the Company or Subsidiary. The Company or the Subsidiary have not suspended payment of their debts, become unable to pay their debts or otherwise become insolvent.

2. The Shares of the Company and Subsidiary

2.1 All of the shares of the Company are free of any encumbrance and there is no agreement or commitment to create any encumbrance, neither is there any claim by any person on the shares of the Company or part thereof.

2.2 Each of the Shareholders has validly acquired the shares and the shares in the Company have been validly issued. Other than the present, there are no contracts, agreements or arrangements or other obligations outstanding which call for allotment, issue or transfer, redemption or repayment of or grant to any person the right to call for the allotment, issue or transfer of shares in the Company or bond or note or security of the Company.

2.3 Other than their monthly salaries, none of the Founders have any due and payable claims of whatsoever nature against the Company and the Subsidiary, including but not limited to, claims for the repayment of any loans, dividends, profits, severance agreements, fees, damages or other remuneration of whatsoever nature with the exception of: (a) the amount of Euro 24,000 which the Company owes to KK for unpaid salaries; (b) the amount of Euro [50,000] with respect to a loan which the latter has granted to the Company; and (c) an amount of Euro 11.945 relating to expenses that RK has covered on behalf of the Company.

3. Arrangements / Related Parties transactions

The Company and/or Subsidiary do not have any contracts or agreements with any directors, shareholders, employees or third parties, suppliers, customers, representatives etc, which are not within the framework of normal business activities or are favourable or can be considered as favourable for such counterparties of the Company or unusual.

4. Employment

4.1 With the exception of the notifications of main employment terms as well as the employment agreements of the CEO and the CTO, there are no written employment contracts with any employees.

4.2 Termination: No employee of the Company and/or Subsidiary enjoys any rights, whether legal, contractual or customary, with respect to the termination of his or her employment, for any reason, including retirement (as indicatively the right to increased severance indemnity, prior notice, termination only for specific reasons), other than the minimum rights provided by law.

4.3 Other than the Employee Stock Option Plan, the Company and/or Subsidiary does not have any company benefits plans such as savings plans, profit-sharing plans or bonus plans for any employees.

4.4 There are no freelancers that could be deemed under applicable law as employees of the Company and/or Subsidiary, or third party employees providing services to the Company and/or Subsidiary.

Με σχόλια [CC12]: IDENTIFY THE WARRANTIES PROVIDED AND TRY TO EXPLAIN THE JUSTIFICATION OF EACH ONE

4.5 No former employees of the Company and/or Subsidiary or any managers or directors of the Company and/or Subsidiary have raised judicial or non-judicial claims requesting benefits, in money or in kind from the Company and/or Subsidiary and, no circumstances exists which would or may result in such claims being raised, including indicatively for compensation on the grounds of non-competition clause.

5. **Accuracy of information**

3.1 All information which has been disclosed to ABC is comprehensive, true and accurate and not misleading, in any and all material respects and no material information has been withheld.

3.2 All corporate and accounting statutory books and records of the Company and Subsidiary are duly written up and maintained in accordance with all legal requirements applicable thereto, they are complete and up-to-date, and have been consistently and properly maintained in accordance with Cypriot and Greek law respectively; all such books and records which are the property of the Company are in its possession or under its control.

6. **Financial Statements**

6.1 The financial statements of the Company and Subsidiary give, in all material respects, a fair view of the financial position, the results, assets, obligations and liabilities, contingent or otherwise, of the Company and/or Subsidiary and have been prepared in accordance with the Cypriot and Greek Accounting principles.

6.2 There is no liability (whether actual, future, contingent, unqualified or disputed) against the Company which, was not provided for or disclosed in the financial statements of the Company. Except for the liabilities indicated in the financial statements, the Company does not have and has not agreed to create or incur any liability, obligation, borrowing, debt or other financial commitment of any nature, whether matured or not, except as created or incurred in the ordinary course of its business. There are no off-balance sheet liabilities or obligations.

7. **Guarantees, Encumbrances and Unsettled Liabilities**

7.1 There are no encumbrances on the Company's assets.

7.2 The Company does not have any outstanding loan, credit or other liabilities from banks and other financial institution, affiliates or third parties with the exception of clause 2.3. of Annex B hereof.

7.3 The Company has not provided any guaranty in any form (e.g. promissory note, corporate guarantee or otherwise), indemnity or security for the obligations of the Founders, Shareholders, their Affiliates and third parties.

8. **Compliance with Laws**

8.1 To the best of the Founders' knowledge, There has not been any non-compliance of the Company and/or Subsidiary with any legislation, regulation, decree and Authority's decision under Cypriot or Greek law as the case may be, regulating its respective business.

8.2 The Company has not made directly or indirectly any payment prohibited by law to a public official or any domestic or foreign government, a political party or its officers or any candidate for public office, and has in all respects and aspects complied with all applicable laws and regulations relating to improper payments and has in every instance acted consistently with principles of good conduct and business ethics.

9. **Litigation**

There are no claims, lawsuits, payment orders, pending arbitration procedures or other judicial or extrajudicial procedures pending or threatened, in respect of the Company either initiated by the Company or by any third party against the Company.

10. **Licences**

The Company has obtained all material licenses for the conduct of its business.

11. **Tax**

11.1 The Company has paid all due and payable Taxes and there are no outstanding tax liabilities (which includes all forms of taxation whether direct or indirect and whether levied by reference to income, profits, gains, net wealth, asset values, turnover, contractual arrangements, employment arrangements, added value or other reference and statutory, governmental, provincial or municipal impositions, duties (including stamp duty), contributions, rates and levies (including without limitation social security contributions, real estate tax, value added tax and any other payroll taxes), whenever and wherever imposed, and whether imposed by way of a withholding or deduction for or on account of tax or otherwise and in respect of any person and all penalties, fines, charges, costs and interest relating thereto).

11.2 The Company has deducted or withheld all Tax which it is obliged by law to deduct or withhold from amounts paid by it and has properly accounted to the authorities for all amounts of Tax so deducted or withheld.

11.3 The Company is not liable to pay any penalty, surcharge, fine or interest in connection with Tax and the expenses included in its financial statements are deductible.

11.4 The Company has within applicable time limits made and filed all returns, provided all information, given all notices and maintained all records in relation to Tax as they are required to make, provide or maintain

and has fully complied on a timely basis with all notices served on them and any other requirements lawfully made of them by any Authority. These returns or documents are true and accurate and do not contain any significant errors, omissions or inaccurate statements and none of them is the subject of any outstanding dispute by any Tax Authority.

11.5 The Company is not involved in any dispute in relation to Tax with the competent tax authority and no such dispute is threatened against the Company.

11.6 The Company is not involved in anything which could be considered as tax avoidance and has not been party to any transaction in respect of which a different amount or value of the actual consideration was given or received.

12. **Change of Control**

A change of control over the Company will not result, by means of a breach in an agreement entered into by the Company, in:

- (a) any material liabilities of the Company becoming due prior to its stated maturity;
- (b) any licence required for the carrying on of the business of the Company to terminate or be revoked or become capable of termination or revocation.

13. **Intellectual Property Rights (where applicable)**

13.1 The Company validly own or use all intellectual property used in connection with or necessary to the operation of its business in all markets and jurisdictions as previously or presently conducted, it being noted that there are no registered intellectual property rights of the Company or Subsidiary.

13.2 All intellectual property owned by the Company is free and clear of all encumbrances and is not being opposed by any person and is in full force and effect. The Company has taken all necessary actions to maintain and protect the intellectual property owned by it.

13.3 No licences or other rights or similar agreements have been granted by the Company to third parties with respect to the Company's intellectual property.

Annex C

Warranties by all Parties

1. Each of the Parties has the requisite legal capacity to enter into and perform this Agreement and each other document or instrument or certificate in connection herewith and to perform and complete the transaction contemplated herein.
2. To the best of each Party's knowledge, this Agreement and the documents, to be signed by the Parties in fulfillment of this Agreement, will, when executed by the Parties, constitute binding obligations of each of the Parties enforceable in accordance with their respective terms .
3. To the best of the Party's knowledge, no consent, approval, authorization or order of any court or Authority or any other person is required by any of the Parties for the execution or implementation of this Agreement and the documents to be signed by each of the Parties in fulfillment of this Agreement, and compliance with the terms of this Agreement does not:
 - (a) conflict with, result in the breach of or constitute a default under any agreement, instrument or obligation by which the Company or any of the Parties may be bound or any provision of the Articles; or
 - (b) result in the creation, imposition, or enforcement of any encumbrance, over or affecting the shares issued by the Company.
 - (c) violate any applicable legal provisions in its jurisdiction, including any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction imposed by the government, governmental agency or court to which any of the Parties is subject;
4. There are no legal proceedings against any of the Parties, actual, pending or threatened, which might affect the validity or enforceability of this Agreement.
5. The Parties are not insolvent or bankrupt under the laws of their jurisdiction, unable to pay his debts as they fall due or has proposed or is liable to any arrangement (whether by court process or otherwise) under which its creditors (or any group of them) would receive less than the amounts due to them. There are no proceedings in relation to any compromise or arrangement with creditors or any winding up, bankruptcy or insolvency proceedings concerning the Parties and no events have occurred which would justify such proceedings.

ANNEX D

Broad based weighted average anti-dilution formula

$$N = \left[\left(\frac{P_1}{WA} \right) n_{ETF} \right] - n_{ETF}$$

Where:

N = Number of new anti-dilution shares to be issued to ABC at par value

P₁ = Price per share at ABC investment

n_{ABC} = Number of shares owned by ABC prior to dilution event

WA = Weighted average anti-dilution share price (the adjusted share price). The effect is to correct as if ABC had invested at WA. Note that this is not the same as the price per share of the new round, but somewhere between it and ABC's entry price, weighted by how much has been invested in each case.

$$WA_{pps} = \frac{(P_1 \times n_1) + (P_2 \times n_2)}{(n_1 + n_2)}$$

Where:

n₁ = Total number of shares, including authorized option pool, in the business immediately before the dilution event

n₂ = New shares to be issued to new investor in dilution event

P₂ = Price per share for new investor in dilution event.

ENF OF DOCUMENT