

**DATED**

**2025**

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- (1) S-VENTURES PLC
- (2) RIVERFORT GLOBAL OPPORTUNITIES PLC (TO BE  
RENAMED TOORU PLC)

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**AGREEMENT FOR THE SALE AND PURCHASE OF THE  
SELLER'S INTERESTS IN THE SHARE CAPITAL OF  
PULSIN LIMITED, WE LOVE PURELY LIMITED, MARKET  
ROCKET LIMITED, S-VENTURES ACQUISITIONS LIMITED  
AND JUELA LIMITED**

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## SHARE SALE AND PURCHASE AGREEMENT

DATED

2025

### PARTIES

- (1) **S-VENTURES PLC**, a company incorporated in England and Wales with registered number 12723377, whose registered office is at 121 Sloane Street, London SW1X 9BW (the "**Seller**"); and
- (2) **RIVERFORT GLOBAL OPPORTUNITIES PLC**, a company incorporated in England and Wales with registered number 00269566, whose registered office is at Suite 39, 18 High Street, High Wycombe, Buckinghamshire HP11 2BE (the "**Buyer**").

### BACKGROUND

- (A) The Seller is the owner of shares in the share capital of the Sale Subsidiaries (the "**Sale Shares**").
- (B) The Seller has agreed to sell and the Buyer has agreed to purchase the Sale Shares on the terms and subject to the conditions of this agreement.
- (C) On completion of the transactions the subject of this agreement, the Seller will become a controlling shareholder of the Buyer.
- (D) The Seller and the Buyer each require consent in the form of certain shareholder approvals from their respective shareholders to complete the arrangements the subject of this agreement.

### OPERATIVE PROVISIONS

#### 1. INTERPRETATION

- 1.1 In this agreement, the following words and expressions shall have the following meanings unless the context otherwise requires:

"**Accounts**" means:

- (a) the individual balance sheet of the Company and of each of the Sale Subsidiaries as at the Accounts Date;
- (b) the individual profit and loss account of the Company and of each of the Sale Subsidiaries for the financial year ended on the Accounts Date;
- (c) the audited consolidated balance sheet of the Seller's Group as at the Accounts Date; and

(d) the audited consolidated profit and loss account of the Seller's Group for the financial year ended on the Accounts Date,

including, in each case, the reports, notes and documents annexed to or accompanying them;

**"Accounts Date"** means 31 December 2023;

**"Admission"** means the admission of the Consideration Shares and the Existing Shares to trading on AIM in accordance with the AIM Rules;

**"Admission Document"** means the document in agreed form prepared in connection with Admission, reflecting the business of the Buyer and the effect of the reverse takeover occasioned by the Buyer entering into this agreement with the Seller;

**"Affiliate"** means, in relation to any Party, any subsidiary undertaking or parent undertaking of that Party and any subsidiary undertaking of any such parent undertaking, in each case from time to time;

**"agreed form"** means, in relation to a document, the form of that document which has been negotiated and agreed between the Seller and the Buyer and initialled by or on behalf of each of them as evidence of that agreement on or before Completion;

**"AIM"** AIM, a market operated by the London Stock Exchange;

**"AIM Rules"** the AIM Rules for Companies issued by the London Stock Exchange and those of its other rules which govern the admission to trading on, and the operation of companies on, AIM;

**"Anti-Corruption Laws"** means all Applicable Laws in connection with bribery and corruption, including the Bribery Act 2010;

**"Applicable Laws"** all laws, regulations, directives, statutes, subordinate legislation and civil and common law codes, all judgments, orders, decrees, notices, instructions, decisions and awards of any court, tribunal or Governmental Entity and all codes of practice, statutory guidance and policy notes having force of law;

**"Associated Person"** means in relation to a company, a person (including an employee, agent or subsidiary) who performs or has performed services for or on that company's behalf;

**"Business Day"** means a day (not being a Saturday, Sunday or a public holiday) on which banks generally are open in London for the transaction of non-automated banking business;

**"Business Hours"** means 9.30 am to 5.30 pm on any Business Day;

**"Buyer Circular"** means the document in agreed form to be despatched to the shareholders of the Buyer convening a general meeting of the Seller and seeking certain consents in connection with the subject matter of this agreement;

**"Buyer Disclosure Letter"** means the disclosure letter dated with the date of this agreement from the Buyer to the Seller;

**"Buyer Loans"** means the full amount of all existing loans made by the Buyer to the Seller (including interest and any other costs);

**"Buyer's Accounts"** means the audited consolidated balance sheet of the Seller's Group as at the Accounts Date the audited consolidated profit and loss account of the Seller's Group for the financial year ended on the Accounts Date, including, in each case, the reports, notes and documents annexed to or accompanying them;

**"Buyer's Accounts Date"** means 31 December 2023;

**"Buyer Shareholder Approval"** means the passing of the resolutions to give effect to this agreement as set out in the Buyer Circular;

**"Buyer's Solicitors"** means Orrick, Herrington & Sutcliffe (UK) LLP of 107 Cheapside, London EC2V 6DN;

**"Buyer Warranties"** means the warranties and undertakings set out in Schedule 3;

**"Capitalisation Agreements"** means:

- (a) the agreement between the Buyer and the Seller pursuant to which the Buyer agrees to capitalise the Buyer Loans in consideration for the issue of one new share in the capital of the Seller credited as fully paid; and
- (b) the agreements between the Seller and each of the Sale Subsidiaries which are debtors of the Seller (except We Love Purely Limited) pursuant to which each relevant Sale Subsidiary agrees to capitalise the existing loan made to it by the Seller in consideration for the issue of one new share in the capital of that Sale Subsidiary credited as fully paid

**"Claim"** means, as the case may be:

- (a) any claim by the Seller: (i) for breach by the Buyer of the Buyer Warranties made by the Seller and / or (ii) pursuant to the indemnity given by the Buyer in Clause 8.3; or
- (b) any claim by the Buyer: (i) for breach by the Seller of the Seller Warranties made by the Buyer and / or (ii) pursuant to the indemnity given by the Seller in Clause 7.3;

**"Companies Act"** means the Companies Act 2006;

**"Completion"** means completion of the sale and purchase of the Sale Shares, as provided for in clause 6 and Schedule 8;

**"Completion Date"** means the Business Day after the Conditions Precedent Date or, as the context shall require, the date on which Completion takes place pursuant to clause 7.6;

**"Conditions"** means the conditions precedent to Completion set out in clause 4.1, and **"Condition"** shall be interpreted accordingly;

**"Conditions Precedent Date"** means the date on which the Conditions are (or the last of them is) satisfied or waived;

**"Consideration"** has the meaning set out in clause 3.1;

**"Consideration Shares"** means 477,489,768 new ordinary shares of 0.01p each in the capital of the Buyer, credited as fully paid.

**"CTA 2009"** means the Corporation Tax Act 2009;

**"CTA 2010"** means the Corporation Tax Act 2010;

**"Debt Novations"** means the novations in agreed form to the Buyer of the loans made to the Seller by the Lenders which shall be on terms that no consideration will be paid by Buyer or Seller, the novations will contain a release for the Seller from any liability in respect of such loans and that:

- (a) in respect of all Lenders except Kratos Investments L.L.C and any relevant Sale Subsidiaries, the debt owing by the Seller will be novated to the Buyer and the Buyer will capitalise the Buyer Loans in consideration for the issue of new shares in the capital of the Buyer credited as fully paid;
- (b) in respect of Kratos Investments L.L.C, the debt owing by the Seller will be novated to the Buyer and the Buyer will repay such debt in full; and
- (c) in respect of any Sale Subsidiary which is a lender at Completion the debt owing by the Seller will be novated to the Buyer and it will remain outstanding as a debt of the Buyer.

**"Deed of Adherence"** means the deed of adherence to the existing shareholders' agreement in agreed form relating to We Love Purely Limited to be executed by the Buyer on becoming a member of We Love Purely Limited and containing any necessary consents of the existing shareholders in We Love Purely Limited;

**"Default Interest"** means interest at the rate of four per cent above the base rate the Bank of England;

**"Designated Creditors"** means those trade and other creditors of the Seller set out in a list in agreed form (**"Designated Creditors List"**) (and including the outstanding sums

owed to those trade creditors and the payment terms agreed with them (including deferrals)), a draft of which will be provided by the Seller to the Buyer on execution of this agreement;

**"Disclosed"** means, as the case may be: (i) fully, accurately and fairly disclosed to the Buyer in the Seller Disclosure Letter with sufficient detail to enable the Buyer to make an informed assessment of the nature and scope of the matters, facts or circumstances disclosed; or (ii) fully, accurately and fairly disclosed to the Seller in the Buyer Disclosure Letter with sufficient detail to enable the Seller to make an informed assessment of the nature and scope of the matters, facts or circumstances disclosed

**"Due Date"** means in respect of any sum payable or obligation to be performed under this agreement (other than pursuant to paragraph 2 of Schedule 4) or any of the other Transaction Documents, the day specified for the payment to be made or that obligation to be performed or, if that day is not a Business Day, the next following Business Day;

**"Event of Default"** means each of the events or circumstances set out below.

- (a) The Buyer fails to pay any sum payable by it under this agreement.
- (b) The Buyer stops or suspends payment of any of its debts, or is unable to, or admits its inability to, pay its debts as they fall due.
- (c) A moratorium is declared in respect of any indebtedness of the Buyer.
- (d) Any action, proceedings, procedure or step is taken for:
  - (i) the suspension of payments, a moratorium in respect of any indebtedness, winding up, dissolution, administration or reorganisation (using a voluntary arrangement, scheme of arrangement or otherwise) of the Buyer; or
  - (ii) the composition, compromise, assignment or arrangement with any creditor; or
  - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Buyer or any of its assets; or
  - (iv) the enforcement of any security over any assets of the Buyer;
- (e) The Buyer commences negotiations, or enters into any composition, compromise, assignment or arrangement, with one or more of its creditors with a view to rescheduling any of its indebtedness (because of actual or anticipated financial difficulties).
- (f) Any provision of this agreement is or becomes, for any reason, invalid, unlawful, unenforceable, terminated, disputed or ceases to be effective or to have full force and effect.
- (g) The Buyer suspends or ceases to carry on (or threatens to suspend or cease to carry on) all or a substantial part of its business



**"Employees"** means those individuals employed by the Sale Subsidiaries at the date of this agreement;

**"Encumbrance"** means any interest or equity (whether known about or not) of any person (including any right to acquire, option or right of pre-emption or conversion) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement or any agreement to create any of the above;

**"Existing Shares"** means the 775,404,187 ordinary shares of 0.01 pence in the capital of the Buyer;

**"FSMA"** means the Financial Services and Markets Act 2000;

**"Full Title Guarantee"** means with the benefit of the implied covenants set out in part 1 of the Law of Property (Miscellaneous Provisions) Act 1994 when a disposition is expressed to be made with full title guarantee;

**"Governmental Entity"** means any supra-national, national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority of the same) or any quasi-governmental, industry or trade or private body exercising any regulatory or quasi-regulatory, taxing, importing or other governmental or quasi-governmental power or authority, including securities exchanges, competition authorities and the European Union;

**"Hardware"** means any and all computer, telecommunications and network equipment, operation user and maintenance manuals, and associated documentation but does not include Software;

**"HMRC"** means His Majesty's Revenue & Customs and, in respect of any time before the establishment of His Majesty's Revenue & Customs, references to HMRC shall be construed, as the context shall require, to include references to the Inland Revenue and/or Customs and Excise;

**"Income, Profits or Gains"** means income, profit, gains or any other consideration, value, receipt or measure by reference to which tax is chargeable or assessed;

**"Indebtedness"** means any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent, incurred in respect of (a) money borrowed or raised, (b) any bond, note, loan stock, debenture or similar instrument, (c) acceptance or documentary credit facilities, (d) foreign exchange options, (e) rental payments, underleases and hire purchase agreements and instalments under conditional sale agreements (in all cases whether in respect of land, machinery, equipment or otherwise) entered into primarily as a method of raising finance or of financing the acquisition or use of the asset concerned and (f) guarantees, indemnities, bonds, standby letters of credit or other instruments issued in connection with the performance of contracts and or in respect of the indebtedness of any other person;

**"Intellectual Property Rights"** means patents, trade marks, service marks, logos, get-up, trade names, internet domain names, rights in designs, copyright (including rights in computer software) and moral rights, database rights, utility models, rights in know-how and other intellectual property rights, in each case whether registered or unregistered, and all rights or forms of protection having equivalent or similar effect anywhere in the world, and **"registered"** includes applications for registration;

**"Interim Period"** means the period commencing on the date of this agreement and ending on the earlier of: (a) the Completion Date; and (b) the date on which this agreement terminates (or is terminated) in accordance with its terms;

**"IT Contracts"** means arrangements and agreements in respect of any element of, or services relating to, the IT Systems, including leasing, hire-purchase, licensing, maintenance and services agreements;

**"IT Systems"** means the Hardware, Software, communications networks, telephone switchboards, microprocessors and firmware and other information technology equipment which are owned or used by the Sale Subsidiary;

**"Lenders"** means those lenders to the Company being:

(a) those persons whose names, and the value of the outstanding loans owed by the Company to them as at the date of this agreement, are set out in Schedule 11; and

(b) certain Sale Subsidiaries;

**"Long Stop Date"** means 5:00 pm on 31 July 2025 or such later date as the Buyer and Seller shall agree in writing;

**"Losses"** in respect of any matter, event or circumstance includes all demands, claims, actions, proceedings, damages, payments, losses, costs, expenses or other liabilities (including all interest, penalties and, to the extent reasonably and properly incurred, legal and other professional costs and expenses) arising or incurred in connection with such matter, event or circumstance, together with any applicable VAT thereon;

**"LSE"** London Stock Exchange plc;

**"Management Accounts"** means the unaudited accounts of the Sale Subsidiaries for the period from the Accounts Date to 31 January 2025;

**"Parties"** means the parties to this agreement, and **"Party"** means either of them;

**"Permit"** means an authorisation, certificate, approval, permit, licence, registration or consent issued by a Governmental Entity;

**"Permitted Encumbrance"** means any lien or equivalent arising as a result of the operation of law, any retention of title arrangements operating by virtue of the standard terms of suppliers;

**"Pre-emption Waiver"** in relation to We Love Purely Limited a waiver of all and any pre-emptive rights held by the existing shareholders in We Love Purely Limited on the transfer of the Sale Shares in We Love Purely Limited;

**"Properties"** means the properties referred to in Schedule 10, and **"Property"** means any of them;

**"Relief"** has the meaning given to it in Schedule 4;

**"Sale Shares"** has the meaning given to it in the Background as more particularly itemised in Schedule 2;

**"Sale Subsidiaries"** means the companies particulars of which are set out in Schedule 1;

**"Sale Subsidiary"** means any of them;

**"Seller Circular"** means the document in agreed from to be despatched to the shareholders of the Seller convening a general meeting of the Seller and seeking certain consents in connection with the subject matter of this agreement;

**"Seller Disclosure Letter"** means the disclosure letter dated with the date of this agreement from the Seller to the Buyer;

**"Seller Shareholder Approval"** means the passing of the resolutions to give effect to this agreement as set out in the Seller Circular;

**"Seller's Group"** means the Seller and the Sale Subsidiaries;

**"Seller's Solicitors"** means Farrer & Co LLP of 66 Lincoln's Inn Fields, London WC2A 3LH;

**"Seller Title Warranties"** means those warranties set out in paragraphs 1 and 2 of Part 1 of Schedule 3;

**"Seller Warranties"** means the warranties and undertakings set out in Schedule 3.

**"Software"** means any and all computer programs whether in source or object code form, including all modules, routines and sub-routines thereof and all related source and other preparatory materials including user requirements, functional specifications and programming specifications, ideas, principles, programming languages, algorithms, flow charts, logic, logic diagrams, orthographic representations, file structures, coding sheets, coding and including any manuals or other documentation relating thereto and computer generated works;

**"Surviving Provisions"** means clauses 1, 15, 16, 17, 18, 20,21 22, 23, 24, 25, and 26;

**"tax"** or **"taxation"** means all forms of taxation, dues, duties, imposts, levies and other liabilities in the nature of tax, whenever and wheresoever charged, imposed or deducted, or otherwise payable as a consequence of any direction or order of any Tax Authority, together with all interest, penalties and fines arising in connection with any and all such taxes, dues, duties, imposts, levies and liabilities or the negotiation of any settlement of any dispute as to the liability of any person therefor or any actual claim in respect of the same, including income tax, PAYE, national insurance contributions, corporation tax, advance corporation tax, capital gains tax, value added tax, customs and other import duties, stamp duty, stamp duty reserve tax, withholding tax, capital transfer tax and inheritance tax;

**"Tax Authority"** has the meaning given to it in Schedule 4;

**"Tax Claim"** means a claim under Schedule 4 or for breach of any of the Tax Warranties;

**"Tax Covenant"** means the covenant set out in Schedule 4;

**"Tax Warranties"** means the warranties set out in Part 2 of Schedule 3;

**"TCGA"** means the Taxation of Chargeable Gains Act 1992;

**"Transaction Announcement"** means the announcements prepared by the Buyer and the Seller announcing the signing of this agreement and setting out certain information for their respective shareholders concerning the effect of this agreement;

**"Transaction Documents"** means this agreement and the other documents listed in Schedule 9;

**"VAT"** means value added tax imposed in the United Kingdom from time to time or any equivalent tax in any jurisdiction;

**"VAT Group"** means the Company and any person grouped with it for the purposes of sections 43 to 43D (inclusive) of the VATA; and

**"W&I Policy"** any warranty and indemnity insurance policy in respect of the purchase of the Sale Shares pursuant to this agreement if taken out by the Buyer.

1.2 In this agreement, unless the context otherwise requires:

- (a) references to **"this agreement"** shall include the Background and Schedules to it, which form part of this agreement, and references to clauses, the Background and Schedules are to clauses of and the Background and Schedules to this agreement;
- (b) the headings are inserted for convenience only and shall not affect the construction of this agreement;

- (c) a reference to a "**person**" shall be construed so as to include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (in each case whether or not having separate legal personality);
- (d) words in the singular shall include the plural and vice versa;
- (e) a reference to one gender includes all genders;
- (f) references to any document (including this agreement) or to a provision in any document shall be construed as a reference to such document or provision as amended, supplemented, modified, restated or novated from time to time;
- (g) references to times of the day are to London time unless otherwise stated, and references to a day are to a period of 24 hours running from midnight to midnight;
- (h) references to any English legal term for any action, remedy, method or 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 that which in that jurisdiction most nearly approximates to the English legal term in question;
- (i) references to "**£**" or "**sterling**" are references to the lawful currency from time to time of the United Kingdom;
- (j) the expressions "**holding company**", "**subsidiary**", "**parent undertaking**" and "**subsidiary undertaking**" shall have the meanings given to them in the Companies Act;
- (k) references to an "**associate**" or a "**connected person**" in relation to another person are references to a person who is an associate of or connected with the other person within the meaning of section 448 of the CTA 2010 or sections 1122 and 1123 of the CTA 2010 as appropriate;
- (l) references to statutory provisions shall be construed as references to those provisions as respectively amended, consolidated, extended or re-enacted from time to time and shall include the corresponding provisions of any earlier legislation (whether repealed or not) and any orders, regulations, instruments or other subordinate legislation made from time to time under the statute concerned, save if and to the extent any amendment or re-enactment coming into force (or statute, statutory provisions or subordinate legislation made or enacted) on or after the date of this agreement would create or increase a liability of a Party under this agreement;
- (m) unless otherwise specifically provided in this agreement, references to any monetary sum expressed in a sterling amount shall, where such sum is referable

in whole or part to a particular jurisdiction, be deemed to be a reference to an equivalent amount in the local currency of that jurisdiction translated at the Exchange Rate at the relevant date specified in this agreement;

- (n) where it is necessary to determine whether a monetary limit or threshold set out in Schedule 5 has been reached or exceeded (as the case may be) and the value of any of the relevant claims is expressed in a currency other than sterling, the value of each such claim shall be translated into sterling at the Exchange Rate on the date of receipt of written notification of the existence of such claim in accordance with Schedule 5;
- (o) where any statement is qualified by the expression "so far as the Seller is aware" or any similar expression, the Seller will be deemed to have knowledge of anything actually known by the directors of the Seller;
- (p) where any statement is qualified by the expression "so far as the Buyer is aware" or any similar expression, the Buyer will be deemed to have knowledge of:
  - (i) anything it actually knows;
  - (ii) anything it should reasonably know; and
  - (iii) anything which it would know after carefully and diligently making all reasonable enquiries immediately before giving the statement,and the knowledge of the Buyer will be deemed to include the knowledge of any officer or adviser of the Buyer;
- (q) a reference to "**includes**" or "**including**", "**in particular**" and words of similar effect shall not be deemed to limit the general effect of the words that precede them;
- (r) general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class or examples of acts, matters or things;
- (s) if a period of time is specified and dates from a given day or the day of an act or event, it will be calculated exclusive of that day; and
- (t) references to "**writing**" or "**written**" include any modes of reproducing words in a legible and non-transitory form or writing on the screen of a visual display unit or other similar device.

## **2. SALE AND PURCHASE**

- 2.1 On and subject to the terms of this agreement, the Seller shall sell, and the Buyer shall purchase, the Sale Shares free from all Encumbrances and together with the benefit of all

rights attaching to them with effect from Completion, including all rights to dividends and other distributions, and otherwise with Full Title Guarantee.

- 2.2 The Seller undertakes to waive, or to procure the waiver of, all pre-emption and similar rights over the Sale Shares or any of them to which it or any person may be entitled under the articles of association of the relevant Sale Subsidiary prior to or in consequence of the sale or transfer of the Sale Shares from the Seller to the Buyer.
- 2.3 The Buyer shall not, and shall not be entitled to, complete the purchase of any of the Sale Shares unless the sale of all of the Sale Shares is completed simultaneously.
- 2.4 The Seller covenants with the Buyer that the Seller or in the case of Juvela Limited, S-Ventures Acquisition Limited is, and will at Completion be, the sole legal and beneficial owner of all the issued and allotted shares in the capital of each Sale Subsidiary, free from all Encumbrances, and has the benefit of all rights that attach (or may in future attach) to them, save that in respect of We Love Purely Limited the Seller's interest equates to 85.1% (eighty-five point one per cent.) of the issued share capital of We Love Purely Limited.

### **3. CONSIDERATION**

- 3.1 The purchase price for the Sale Shares ("**Consideration**") shall be:
  - (a) the issue of 466,666,666 Consideration Shares to the Seller (the "**Cash Consideration**");
  - (b) the entry into by the Buyer of the Debt Novations;
  - (c) the payment by the Buyer to the Seller in respect of the Designated Creditors in accordance with Clause 6.4; and
  - (d) the performance by the Buyer of its other obligations under this Agreement.
- 3.2 The Consideration Shares shall be issued to the Seller on Completion.
- 3.3 The Consideration shall be deemed to be reduced by an amount equal to the aggregate amount (if any) paid by the Seller to the Buyer under or pursuant to all Claims and Tax Claims, provided that the Consideration shall not be deemed to be reduced below zero.
- 3.4 Nothing in clause 3.3 shall be treated as limiting the amount that the Buyer may recover from the Seller under any provision of this agreement.

### **4. CONDITIONS PRECEDENT**

- 4.1 Clauses 2, 3 and 6 are conditional on the following having occurred on or before the Long Stop Date:
  - (a) The Seller Shareholder Approval;

- (b) The Buyer Shareholder Approval; and
  - (c) Admission.
- 4.2 The Buyer shall use all reasonable endeavours to procure the satisfaction of Condition 4.1(b) as soon as possible and in any event not later than the Long Stop Date.
- 4.3 The Seller shall use all reasonable endeavours to procure the satisfaction of Condition 4.1(a) as soon as possible and in any event not later than the Long Stop Date.
- 4.4 The parties shall use their respective reasonable endeavours to procure the satisfaction of Condition 4.1(c) as soon as possible and in any event not later than the Long Stop Date.
- 4.5 On execution of this agreement the parties will take the following action:
- (a) each party shall make the Transaction Announcement via the RNS system operated by the LSE.
  - (b) within 48 hours, the Buyer shall despatch the Buyer Circular and the Admission document to its shareholders; and
  - (c) within 48 hours, the Seller shall despatch the Seller Circular to its shareholders.
- 4.6 Each Party shall keep the other fully informed of all progress and developments with regard to satisfaction of the Conditions and, in any event, shall notify the other Party promptly in writing following it's becoming aware that a Condition has been satisfied or has become incapable of satisfaction and shall produce to the other Party such documentation as that other Party shall reasonably require as evidence.
- 4.7 If by the Long Stop Date any of the Conditions shall not have been satisfied or waived in writing by the Seller and the Buyer, this agreement shall terminate and have no further force or effect and no Party shall have any liability in respect of it except as regards any antecedent breach, save that this clause 4.7 and the Surviving Provisions shall survive such termination and continue in full force and effect.
- 4.8 The Buyer and the Seller shall use all reasonable endeavours following the date of this agreement to agree any documents which are to be in agreed form at Completion.

## **5. INTERIM PERIOD**

- 5.1 During the Interim Period, the Seller shall:
- (a) ensure, and shall procure that the Sale Subsidiaries will, in reasonable consultation with the Buyer, carry on business in the ordinary course and with a view to profit and not do anything outside of the ordinary and usual course;
  - (b) procure that each Sale Subsidiary uses all reasonable endeavours to preserve and protect its business and assets;



- (c) not, and shall procure that no Sale Subsidiary shall take or permit to be taken any action which (save in the ordinary course of trading) results or is likely to result in the net assets of the Sale Subsidiaries being reduced and/or which could have an adverse effect on the financial or trading position or prospects of the Sale Subsidiaries;
- (d) promptly give, or procure to be given, to the Buyer and its advisers copies of all management reports and financial reports following their preparation and such further information regarding the businesses, assets, liabilities, contracts and affairs of the Sale Subsidiaries as the Buyer may reasonably require, together with access on reasonable notice and during normal working hours to the Employees and the premises from which any Sale Subsidiary operates;
- (e) procure that no Sale Subsidiary shall, except with the prior written consent of the Buyer:
  - (i) dispose of or transfer, or agree to dispose of or transfer any business or part of any business or any of its assets with a value, in any such case, in excess of £100,000;
  - (ii) acquire, or agree to acquire, any business or part of a business or any of its assets with a value, in any such case, in excess of £100,000;
  - (iii) enter into any material contract or materially modify or terminate any material rights under any material contract;
  - (iv) create or permit to be created any Encumbrance over any of the Sale Shares or any of the assets of the Sale Subsidiaries (other than a Permitted Encumbrance);
  - (v) engage or employ any person (except where such engagement commenced or an offer for such engagement was made prior to the date of this agreement), other than in the ordinary course of business;
  - (vi) enter into any agreement, arrangement or understanding pursuant to which any Employee or officer of the Seller Group is entitled to any commission or bonus in respect of the transactions contemplated by this agreement;
  - (vii) terminate (other than for cause) the employment of any Employee whose remuneration is in excess of £100,000 per annum;
  - (viii) in relation to the Employees, enter into any collective bargaining agreement, or materially modify or terminate any material rights under any collective bargaining agreement subsisting at the date of this agreement;
  - (ix) enter into any joint venture, co-operation, consortium, partnership or similar agreement;

- (x) initiate any litigation, arbitration, prosecution or other legal proceedings (other than normal debt collection in the ordinary course of business);
- (xi) commit to make any expenditure on capital items which would exceed, in aggregate £100,000;
- (xii) cancel, release or assign any material Indebtedness;
- (xiii) fail to take any action required to maintain any material insurance policies in force at the date of this agreement in respect of any Sale Subsidiary;
- (xiv) resolve to change its name or to alter its memorandum or articles of association or byelaws or any similar constitutional document;
- (xv) allot or issue, or agree to allot or issue, any shares or any other securities or grant or agree to grant rights which confer on the holder any rights to acquire any shares or other securities;
- (xvi) declare, pay or make any dividend or other distribution other than in the ordinary course of business;
- (xvii) repay or redeem any of its share capital;
- (xviii) reduce its share capital; or  
  - resolve to be convened, or convene, any general meeting at which a resolution is to be proposed that it will be voluntarily wound-up

5.2 Clause 5.1 shall not operate to restrict or prevent:

- (a) the completion or performance of any obligations undertaken pursuant to any contract or arrangement entered into by any Sale Subsidiary prior to the date of this agreement, provided that such contract or arrangement was entered into in the ordinary and usual course of business and is Disclosed;
- (b) any action provided for in this agreement or any of the other Transaction Documents; or
- (c) any action to the extent required by law, regulation or any Government Entity (or at the request of any Government Entity).

5.3 During the Interim Period, the Buyer shall:

- (a) ensure, and shall procure that it will, in reasonable consultation with the Seller, carry on business in the ordinary course and with a view to profit and not do anything outside of the ordinary and usual course;
- (b) use all reasonable endeavours to preserve and protect its business and assets;

- (c) not take or permit to be taken any action which (save in the ordinary course of trading) results or is likely to result in the net assets of the Buyer being reduced and/or which could have an adverse effect on the financial or trading position or prospects of the Buyer;
- (d) promptly give, or procure to be given, to the Seller and its advisers copies of all management reports and financial reports following their preparation and such further information regarding the businesses, assets, liabilities, contracts and affairs of the Buyer as the Seller may reasonably require;
- (e) promptly notify the Buyer of any fact which would constitute a material breach of the Warranties (as if they were repeated each day during the Interim Period) or which would make the information in the Admission Document relating to the Sale Subsidiaries materially incorrect;
- (f) except with the prior written consent of the Seller:
  - (i) dispose of or transfer, or agree to dispose of or transfer any business or part of any business or any of its assets with a value, in any such case, in excess of £100,000;
  - (ii) acquire, or agree to acquire, any business or part of a business or any of its assets with a value, in any such case, in excess of £100,000;
  - (iii) enter into any material contract or materially modify or terminate any material rights under any material contract;
  - (iv) create or permit to be created any Encumbrance over any of its assets;
  - (v) engage or employ any person (except where such engagement commenced or an offer for such engagement was made prior to the date of this agreement), other than in the ordinary course of business;
  - (vi) enter into any agreement, arrangement or understanding pursuant to which any officer of the Buyer is entitled to any commission or bonus in respect of the transactions contemplated by this agreement;
  - (vii) enter into any joint venture, co-operation, consortium, partnership or similar agreement;
  - (viii) initiate any litigation, arbitration, prosecution or other legal proceedings (other than normal debt collection in the ordinary course of business);
  - (ix) commit to make any expenditure on capital items which would exceed, in aggregate £500,000;
  - (x) cancel, release or assign any Indebtedness;

- (xi) fail to take any action required to maintain any material insurance policies in force at the date of this agreement;
  - (xii) resolve to change its name or to alter its memorandum or articles of association or byelaws or any similar constitutional document;
  - (xiii) allot or issue, or agree to allot or issue, any shares or any other securities or grant or agree to grant rights which confer on the holder any rights to acquire any shares or other securities;
  - (xiv) declare, pay or make any dividend or other distribution other than in the ordinary course of business;
  - (xv) repay or redeem any of its share capital;
  - (xvi) reduce its share capital; or
  - (xvii) resolve to be convened, or convene, any general meeting at which a resolution is to be proposed that it will be voluntarily wound-up; and
- (g) not do or omit to do any act or thing which would give rise to a breach of the Buyer Warranties when the Buyer Warranties are repeated at Completion.

5.4 Clause 5.1 shall not operate to restrict or prevent:

- (a) the completion or performance of any obligations undertaken pursuant to any contract or arrangement entered into prior to the date of this agreement, provided that such contract or arrangement was entered into in the ordinary and usual course of business and is Disclosed;
- (b) any action provided for in this agreement or any of the other Transaction Documents; or
- (c) any action to the extent required by law, regulation or any Government Entity (or at the request of any Government Entity).

## **6. COMPLETION**

6.1 Completion shall take place at the offices of Buyer's Solicitors at 08:00 am on the Completion Date.

6.2 Completion shall take place in accordance with Schedule 8 and each Party shall at Completion perform all of the obligations which the provisions of Schedule 8 require it to perform.

6.3 The provisions of Schedule 4 will come into full force and effect at Completion.

6.4 At Completion subject to Clause 6.5, the Buyer will transfer to such bank account as the Seller nominates in writing the cash amount equal to the value owing to the Designated Creditors as at Completion (as set out in the Designated Creditor List), and the Seller hereby agrees to apply such funds to pay the amounts due to those Designated Creditors.

6.5 Those Designated Creditors which will not be paid in full at Completion (as set out in the Designated Creditor List or as agreed by the Buyer and the Seller in writing any time before Completion) shall remain outstanding as a debt owed by the Buyer to the Seller on the following terms (**Debt**):

- (a) the Buyer will pay the Debt (including all accrued interest) no later than 30 June 2026; and
- (b) on and at any time after the occurrence of an Event of Default the Seller may by notice to the Buyer declare that the Debt be payable on demand, whereupon it shall become immediately payable on demand by the Buyer:

## **7. TERMINATION BY THE BUYER**

7.1 If, before Completion, the Buyer becomes aware of any matter which:

- (a) is a material breach of any of the Seller Warranties or of any of the covenants, agreements or undertakings on the part of the Seller contained in this agreement; or
- (b) would give rise to a material breach of the Seller Warranties as if the Seller Warranties are repeated at Completion,

the Buyer may at any time before Completion terminate this agreement in accordance with clause 7.7 by giving notice in writing to the Seller.

7.2 If the Buyer becomes entitled to exercise its right to terminate this agreement pursuant to clause 7.1 and:

- (a) elects not to do so, the waiver of that right shall not constitute a waiver of any other rights of the Buyer arising out of any breach of the Seller Warranties or any breach of clause 5.1 or otherwise; or
- (b) elects to do so, such action shall waive all rights which the Buyer may have arising out of any breach of the Seller Warranties or any breach of clause 5.1 or otherwise.

7.3 If the Buyer terminates this Agreement in accordance with clause 7.1, the Seller will indemnify the Buyer in respect of, and undertakes to pay the Buyer a sum equal to, all costs, charges and expenses in relation to investigating the affairs of the Sale Subsidiaries and the negotiation, preparation, execution and termination of this agreement and all other agreements forming part of the transactions contemplated by this agreement up to a maximum aggregate value of £50,000.

- 7.4 The Seller undertakes to notify the Buyer promptly in writing if it or any other member of the Seller's Group becomes aware prior to Completion:
- (a) that a Seller Warranty given by the Seller pursuant to clause 8 has been breached or any Seller Warranty is untrue, inaccurate or misleading at any time;
  - (b) of any circumstance, event, fact, matter or omission which may cause a Seller Warranty to become untrue, inaccurate or misleading; or
  - (c) of any breach, circumstance, event, fact, matter or omission which may give rise to a right of termination under clause 7.1.
- 7.5 Any notification under clause 7.4 will contain sufficient detail of the relevant breach, circumstance, event, fact, matter or omission and its consequences to enable the Buyer to make an accurate assessment of its impact.
- 7.6 If on the Completion Date the Seller shall fail to comply in any material respect with its obligations under Schedule 8, the Buyer may by notice in writing to the Seller:
- (a) defer Completion to a date not more than 10 Business Days after the date specified in clause 6.1 (in which event the provisions of this clause 7.6 shall apply to Completion as so deferred);
  - (b) proceed to Completion so far as practicable but without prejudice to its rights under this agreement; or
  - (c) terminate this agreement.
- 7.7 If this agreement is terminated pursuant to this clause 7, it shall have no further force or effect and no Party shall have any liability in respect of it except as regards any antecedent breach, save that the Surviving Provisions shall survive such termination and continue in full force and effect.

## **8. TERMINATION BY THE SELLER**

- 8.1 If, before Completion, the Seller becomes aware of any matter which:
- (a) is a material breach of any of the Buyer Warranties or of any of the covenants, agreements or undertakings on the part of the Buyer contained in this agreement; or
  - (b) would give rise to a material breach of the Buyer Warranties when the Buyer Warranties are repeated at Completion,

the Seller may at any time before Completion terminate this agreement in accordance with clause 8.8 by giving notice in writing to the Buyer.

- 8.2 If the Seller becomes entitled to exercise its right to terminate this agreement pursuant to clause 8.1 and:
- (a) elects not to do so, the waiver of that right shall not constitute a waiver of any other rights of the Seller arising out of any breach of the Buyer Warranties or any breach of clause 5.3 or otherwise; or
  - (b) elects to do so, such action shall waive all rights which the Seller may have arising out of any breach of the Buyer Warranties or any breach of clause 5.3 or otherwise.
- 8.3 If the Seller terminates this Agreement in accordance with clause 8.1, the Buyer will indemnify the Seller in respect of, and undertakes to pay the Seller a sum equal to, all costs, charges and expenses in relation to investigating the affairs of the Buyer and the negotiation, preparation, execution and termination of this agreement and all other agreements forming part of the transactions contemplated by this agreement up to a maximum aggregate value of £50,000.
- 8.4 The Buyer undertakes to notify the Seller promptly in writing if it becomes aware prior to Completion:
- (a) that a Buyer Warranty given by the Seller pursuant to clause 8 has been breached or any Buyer Warranty is untrue, inaccurate or misleading at any time;
  - (b) of any circumstance, event, fact, matter or omission which may cause a Buyer Warranty to become untrue, inaccurate or misleading; or
  - (c) of any breach, circumstance, event, fact, matter or omission which may give rise to a right of termination under clause 8.1.
- 8.5 Any notification under clause 8.1 will contain sufficient detail of the relevant breach, circumstance, event, fact, matter or omission and its consequences to enable the Buyer to make an accurate assessment of its impact.
- 8.6 If on the Completion Date the Buyer shall fail to comply in any material respect with its obligations under Schedule 8, the Seller may by notice in writing to the Buyer:
- (a) defer Completion to a date not more than 10 Business Days after the date specified in clause 6.1 (in which event the provisions of this clause 8.6 shall apply to Completion as so deferred);
  - (b) proceed to Completion so far as practicable but without prejudice to its rights under this agreement; or
  - (c) terminate this agreement.

- 8.7 If, on the Completion Date, the Buyer shall fail to comply in any material respect with its obligations under Schedule 8 the Seller may (provided it is itself in compliance with Schedule 8) by notice in writing to the Buyer:
- (a) defer Completion to a date not more than 10 Business Days after the date specified in clause 6.1 (in which event the provisions of this clause 8.7 shall apply to Completion as so deferred);
  - (b) proceed to Completion so far as practicable but without prejudice its rights under this agreement; or
  - (c) terminate this agreement.
- 8.8 If this agreement is terminated pursuant to this clause 8, it shall have no further force or effect and no Party shall have any liability in respect of it except as regards any antecedent breach, save that the Surviving Provisions shall survive such termination and continue in full force and effect.

## **9. SELLER WARRANTIES**

- 9.1 The Seller warrants to the Buyer that each Seller Warranty is true, accurate and not misleading on the date of this Agreement, and acknowledges that the Buyer is entering into this agreement in reliance on the Seller Warranties.
- 9.2 The Seller Warranties are given subject only to those matters: (i) contemplated by the Transaction Documents; and (ii) Disclosed, and therefore the Seller shall not be liable for a Claim or a claim for breach of a Seller Tax Warranty if the subject matter of such Claim or claim for breach of a Seller Tax Warranty relates to matters contemplated by the Transaction Documents or Disclosed, and no other information of which the Buyer, its agents or advisers has actual or constructive or imputed knowledge shall affect or limit any Claim or claim for breach of a Seller Tax Warranty or operate to reduce any amount recoverable thereunder.
- 9.3 Each of the Seller Warranties is given independently from and shall not be limited by reference to any of the others of them nor anything else contained in the Transaction Documents.
- 9.4 The Seller irrevocably waives all rights and claims which it may have against each Sale Subsidiary and any of their officers and employees relating to any misrepresentation, inaccuracy or omission in or from any information or advice given by it or any of its officers or employees to the Seller to enable it to give the Seller Warranties and/or to prepare the Seller Disclosure Letter and/or to assume any of the obligations assumed or to be assumed by it under or pursuant to any of the Transaction Documents.



## **10. BUYER WARRANTIES**

- 10.1 The Buyer warrants to the Seller that each Buyer Warranty is true, accurate and not misleading and acknowledges that the Buyer is entering into this agreement in reliance on the Buyer Warranties.
- 10.2 The Buyer Warranties are given subject only to those matters: (i) contemplated by the Transaction Documents; and (ii) Disclosed, and therefore the Buyer shall not be liable for a Claim or a claim for breach of a Buyer Tax Warranty if the subject matter of such Claim or claim for breach of a Buyer Tax Warranty relates to matters contemplated by the Transaction Documents or Disclosed, and no other information of which the Buyer, its agents or advisers has actual or constructive or imputed knowledge shall affect or limit any Claim or claim for breach of a Buyer Tax Warranty or operate to reduce any amount recoverable thereunder.
- 10.3 The Buyer Warranties shall be deemed repeated immediately before Completion by reference to the then existing facts and circumstances.
- 10.4 Each of the Buyer Warranties is given independently from and shall not be limited by reference to any of the others of them nor anything else contained in the Transaction Documents.
- 10.5 In the event of any breach of the Buyer Warranties (and without restricting the rights or ability of the Seller to claim damages on any bases available to it), the Buyer shall on demand pay to the Seller (or, at the Seller's direction) the amount by which the value of any asset or assets is or are less than, or (as the case may be) the amount by which any loss and/or liability or liabilities is or are greater than, would have been the case if there had been no such breach of the Buyer Warranties, together with an amount equal to any Losses of the Seller that it would not have incurred or that would not have existed if there had been no such breach, and, for these purposes, Losses shall include the amount of any benefit reasonably expected to be obtained by the Seller which, by reason of the breach or the matters giving rise to the breach, was not or will not be obtained in whole or in part.
- 10.6 The Buyer irrevocably waives all rights and claims which it may have against any of its officers and employees relating to any misrepresentation, inaccuracy or omission in or from any information or advice given by it or any of its officers or employees to the Buyer to enable it to give the Buyer Warranties and/or to prepare the Buyer Disclosure Letter and/or to assume any of the obligations assumed or to be assumed by it under or pursuant to any of the Transaction Documents.

## **11. LIMITATIONS**

- 11.1 Subject to clause 11.2, the liability of the Seller for Claims and Tax Claims and (to the extent expressly provided in Schedule 5) other claims under this agreement shall be subject to the relevant provisions of Schedule 5.

- 11.2 None of the relevant limitations in Schedule 5 shall apply to any Claim or Tax Claim or other claim under this agreement which arises (or to the extent that it is increased) as a consequence of:
- (a) fraud or fraudulent misrepresentation or wilful non-disclosure on the part of any member of the Seller's Group or, in so far as any fraud, fraudulent misrepresentation or wilful non-disclosure occurred at or prior to Completion, on the part of any Sale Subsidiary or in each case on the part of any of their respective officers, employees or advisers; and
  - (b) breach by the Seller of clause 7.4.
- 11.3 Subject to clause 11.4, the liability of the Buyer for Claims and (to the extent expressly provided in Schedule 7) other claims under this agreement shall be subject to the relevant provisions of Schedule 7.
- 11.4 None of the limitations in Schedule 7 shall apply to any Claim or other claim under this agreement which arises (or to the extent that it is increased) as a consequence of:
- (a) fraud or fraudulent misrepresentation or wilful non-disclosure on the part of any member of the Buyer or, in so far as any fraud, fraudulent misrepresentation or wilful non-disclosure occurred at or prior to Completion, on the part of any of their officers, employees or advisers; and
  - (b) breach by the Buyer of clause 8.4.

## **12. RELEASE OF ASSOCIATED LOANS AND GUARANTEES**

- 12.1 The Seller will procure that, before or on Completion, each Sale Subsidiary is released from all guarantees and indemnities given by them in support of obligations of the Seller and will indemnify the Buyer against all Losses suffered or incurred by any Sale Subsidiary arising after Completion in relation to such guarantees and indemnities.
- 12.2 The Buyer will use all reasonable endeavours to procure that, from Completion, the Seller is released from any guarantee given by the Seller in respect of any obligation of the Sale Subsidiaries as soon as reasonably practicable after being notified by the Seller of the existence of such guarantee and will indemnify the Seller against all Losses suffered or incurred by the Seller in relation to such guarantees in respect of, or attributable to, the period after Completion.

## **13. FURTHER ASSURANCE**

- 13.1 The Seller agrees for no additional consideration or payment to do, execute and deliver any such further acts, documents and things as the Buyer may reasonably require to vest in the Buyer (or as it shall direct) the beneficial ownership of the Sale Shares free from all Encumbrances and to vest the benefit of this agreement in the Buyer.

- 13.2 The Seller irrevocably and unconditionally appoints the Buyer with effect on and from Completion (but subject to Completion taking place) as its attorney with full powers of substitution in its name and for it and on its behalf (and to the complete exclusion of any rights the Seller may have in such regard) lawfully to exercise all voting and other rights and receive all the benefits and entitlements which may now or at any time in the future attach to the Sale Shares and to transfer and deal with such Sale Shares, rights, benefits and entitlements and execute such documents under hand or as a deed and do such acts and things as the Buyer shall from time to time think fit in all respects as if the Buyer were the absolute legal and beneficial owner of the Sale Shares. The power of attorney granted in this clause 13.2 is given by way of security for the due performance by the Seller of its obligations under this agreement.
- 13.3 The Seller undertakes, for no additional consideration, to do, execute and deliver such documents, deeds and things as the Buyer may reasonably require after Completion to vest in the Company, or such Sale Subsidiaries as the Buyer shall direct, ownership and title and all rights of the Seller in respect of all inventions and Intellectual Property Rights owned by or vested in it and which relate to products of the Sale Subsidiaries or any manufacturing process used or intended at Completion to be used by the Sale Subsidiaries in their business.
- 13.4 The Buyer agrees for no additional consideration or payment to do, execute and deliver any such further acts, documents and things as the Seller may reasonably require to vest in the Seller (or as it shall direct) the benefit of this agreement.

#### **14. ASSIGNMENT**

- 14.1 No Party shall assign, grant any security interest over, hold on trust or otherwise transfer the benefit of, or any of its rights or interests in, under or arising from, this agreement in whole or in part, without the prior written consent of the other Party.

#### **15. ANNOUNCEMENTS**

- 15.1 Subject to clause 15.2 no Party will release any public announcement, press statement or despatch any circular or other public document relating to any of the Transaction Documents unless and until the form and content of such announcement, statement or circular or other public document have been submitted to, and agreed by, the other Party.
- 15.2 Nothing in clause 15.1 will prohibit any Party from:
- (a) making any public announcement or press statement or despatching any circular or other public document as required by law or the rules of the United Kingdom Financial Conduct Authority, the London Stock Exchange, the Panel on Takeovers and Mergers or any other Governmental Entity; or
  - (b) from making an announcement to employees, customers or suppliers,

in which cases the announcement or statement will only be released or the circular or other public document despatched after consultation with the other Party and after taking into account the reasonable requirements of the other Party as to the content of such announcement or circular or other public document.

## **16. CONFIDENTIALITY**

16.1 Each Party will treat and will procure that each of its Affiliates will treat as strictly confidential, all information received or obtained by it as a result of entering into or performing its obligations under this agreement or any of the other Transaction Documents which relates to:

- (a) the provisions or the subject matter of this agreement or any of the other Transaction Documents or any document referred to in any of them; or
- (b) the negotiations relating to this agreement or any of the other Transaction Documents or any document referred to in any of them.

16.2 Notwithstanding clause 16.1, any Party may disclose information which would otherwise be confidential under the provisions of clause 16.1 if and to the extent that:

- (a) the information is already in the public domain (other than as a result of a breach by a Party of its obligations under this clause 16 or otherwise);
- (b) the disclosure is permitted, or approved, in accordance with clause 15;
- (c) the disclosure is required to be made to a Tax Authority in connection with the tax affairs of the disclosing Party's group, or is required for the purposes of stamping, by the law of any relevant jurisdiction or for the purpose of any judicial proceedings or quasi-judicial proceedings;
- (d) the disclosure is required by any Governmental Entity to which any Party is subject or submits, wherever situated (including the United Kingdom Financial Conduct Authority and HMRC) and whether or not the requirement for information has the force of law;
- (e) the information is disclosed on a strictly confidential, need-to-know basis to the employees, professional advisers, auditors and bankers of such Party; or
- (f) the Seller has given its prior written approval to the disclosure (in the case of disclosure by the Buyer) or the Buyer has given such prior written approval (in the case of disclosure by the Seller), as the case may be; or
- (g) it does so to an Affiliate of that Party, provided that, notwithstanding such disclosure, the Party making such disclosure will remain fully and completely liable to each other Party in accordance with the provisions of clause 16,

provided that any such information disclosed pursuant to clauses 16.2(c) or 16.2(d) will be disclosed only after notice to the other Party, unless such prior notification to the other Party is prohibited by law or regulation.

## **17. NOTICES**

17.1 Except where expressly stated otherwise, any notice given or made under or in connection with the matters contemplated by this agreement shall only be effective if it is in writing in English and must be delivered or sent:

- (a) by hand or by internationally recognised courier;
- (b) by pre-paid first class post if sent within the United Kingdom; or

to the relevant address or email address set out in clause 17.2 (as may be altered in accordance with clause 17.3).

17.2 The addresses and email addresses of the parties for the purpose of clause 17.1 are:

- (a) in the case of the Seller to:

Address: 121 Sloane Street, London SW1X 9BW

Attention: Chief Executive; and

- (b) in the case of the Buyer to:

Address: Suite 39, High Wycombe, Buckinghamshire HP11 2BE

Attention: Chief Executive.

17.3 A Party may notify the other Party of any alteration to any of its details for the purposes of clause 17.2 provided that such notification shall only be effective on:

- (a) the date specified in such notification as the date on which the alteration is to take place; or
- (b) if no date is specified or the date specified is less than five Business Days after the date on which the notification is given, the date falling five Business Days after notice of any such alteration has been given.

17.4 Any notice given or made under or in connection with this agreement shall, in the absence of earlier receipt, be deemed to have been duly given or served as follows:

- (a) on delivery if delivered by hand or by internationally recognised courier;
- (b) two clear Business Days after the date of posting if sent by pre-paid first class post; and

- (c) at the time of despatch if sent or delivered on a Business Day or (if not sent or so delivered) on the next following Business Day,

provided that if deemed receipt (but for this proviso) would have occurred outside Business Hours in the place at or which the notice is left or sent, the notice shall be deemed to have been received as at the start of the next period of Business Hours in such place.

- 17.5 In proving service pursuant to this clause 17 it shall be sufficient to prove that delivery was made, or that the envelope containing the notice was properly addressed and stamped and placed in the post or that the email was sent to the specified email address.
- 17.6 No notice given under this agreement may be withdrawn or revoked except by notice in accordance with this clause 17.
- 17.7 References to a "**notice**" in this clause 17, include any notice, claim, demand or other document to be delivered to any Party under or in connection with this agreement or any dispute arising under or in connection with this agreement.

## **18. COSTS**

Except as otherwise stated in this agreement, each Party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and implementation of this agreement.

## **19. EFFECT OF COMPLETION**

Any provision of this agreement which has not been fully performed at or before Completion shall, so far as it is capable of having effect after or being performed after Completion, shall remain in full force and effect notwithstanding Completion.

## **20. ENTIRE AGREEMENT**

- 20.1 This agreement contains the whole and only agreement and understanding between the Parties relating to the subject matter of this agreement and supersedes and extinguishes all previous agreements and understandings (whether written or oral) between the Parties relating to the matters dealt with in this agreement including without limitation, the heads of agreement related to the matters set out in this Agreement.
- 20.2 Each Party agrees and acknowledges that in entering into this agreement, it is not relying on any representation, warranty, undertaking, covenant or assurance of any nature whatsoever (whether or not in writing) made or given by any person (whether or not a Party to this agreement) which is not expressly set out in this agreement and waives all remedies and rights of action which, but for this clause 20.2, might otherwise be available to it in respect of any such representation, warranty, undertaking, covenant or assurance.

20.3 Nothing in this clause 20 shall have the effect of limiting or excluding any liability to which either Party may be subject by reason of any fraudulent misrepresentation or any remedy available to any of the Parties by reason of such fraudulent misrepresentation.

20.4 In this clause 20, references to "**this agreement**" shall be construed so as to include the documents referred to in it.

## **21. COUNTERPARTS**

21.1 This agreement may be executed in any number of counterparts and by the Parties on separate counterparts but shall not be effective until each Party has executed and delivered at least one counterpart.

21.2 Each counterpart shall constitute an original of this agreement but all the counterparts shall together constitute one and the same instrument.

21.3 Each Party may evidence its signature of this agreement by transmitting by email in PDF format a signed signature page of this agreement together with the final version of this agreement in PDF or Word format, which shall constitute an original signed counterpart of this agreement. Without prejudice to the validity of this agreement, each Party adopting this method of signing will, as soon as reasonably practicable following circulation of the signature page by email (together with the final version of this agreement), provide the other Party with the original, hard copy signed signature page.

21.4 Each Party hereby agrees that any Party to this agreement may use either an electronic signature or a written signature to sign this agreement. Accordingly, where an electronic signature is used by a Party that electronic signature shall be deemed to be its signature and such electronic signature shall be admissible as evidence in any legal proceedings in accordance with the provisions of the Electronic Communications Act 2000. Each Party also confirms that in the event it uses an electronic signature to sign this agreement it intends to be bound by the terms of this agreement on the same basis as it would be by using a written signature to sign this agreement.

## **22. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

22.1 A person who is not a Party to this agreement shall have no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of, or enjoy any benefit under, this agreement.

## **23. INVALIDITY**

23.1 In the event that any provision of this agreement becomes illegal, void or unenforceable by reason of any provision of Applicable Laws, such provision will be deemed to be modified to the extent necessary to render it legal, valid and enforceable. If no such modification is possible, such provision will be deleted and the remaining provisions of this agreement will continue in full force and effect and, if necessary, be modified to give effect to the commercial intentions of the parties so far as possible.

- 23.2 If any provision of this agreement (or part provision) is or becomes illegal, void or unenforceable but would be legal, valid and enforceable if it, or some part of it, was deleted, such provision (or part provision) shall apply with such deletions as may be necessary to make the provision legal, valid and enforceable.
- 23.3 Without prejudice to clause 23.2 and where any provision or part of any provision of this agreement has been deleted pursuant to clause 23.2, the Parties shall use all reasonable endeavours to replace the void or unenforceable provision (or part provision) the effect of which is as close as possible to the intended effect of the void or unenforceable provision (or part provision).

## **24. VARIATION**

Subject only to any deemed amendment to, or severance of, any provision of this agreement pursuant to clause 23.2, no variation of this agreement shall be effective unless it is in writing and signed by or on behalf of each Party.

## **25. WAIVERS AND REMEDIES**

- 25.1 No waiver by a Party of any breach of or default under this agreement shall be effective unless it is in writing and signed by or on behalf of the Party granting the waiver.
- 25.2 Any release, delay or waiver by any Party in favour of another of any (or any part of any of) its rights under this agreement will only be binding if it is given in writing. Any binding release, delay or waiver will:
- (a) be confined to the specific circumstances in which it is given; and
  - (b) not affect any other enforcement of the same right or the enforcement of any other right by or against any of the Parties.
- 25.3 No delay in exercising, or failure to exercise, any right, power or remedy provided by law or under this agreement shall affect that right, power or remedy or operate as a waiver thereof or as an affirmation of this agreement.
- 25.4 No single or partial exercise of any right, power or remedy provided by law or under this agreement shall preclude any other or future exercise of that right, power or remedy or the exercise of any other right, power or remedy.
- 25.5 The rights, powers and remedies provided under this agreement are cumulative with and not exclusive of any rights, powers or remedies provided by law.

## **26. GOVERNING LAW AND JURISDICTION**

- 26.1 This agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with the laws of England and Wales.



26.2 Each Party irrevocably agrees that the courts of England shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this agreement (including any dispute relating to any non-contractual obligations arising out of or in connection with this agreement) and that accordingly any proceedings arising out of or in connection with this agreement (including any proceedings arising out of or in connection with any such non-contractual obligations) shall be brought in such courts.

**SIGNED** by or on behalf of the Parties.

## SCHEDULE 1

### THE SALE SUBSIDIARIES

#### PULSIN LIMITED

1	Name:	Pulsin Limited
2	Date of incorporation	28 May 2005
3	Jurisdiction of incorporation:	England and Wales
4	Registered number:	05466800
5	Issued share capital:	150,015,000 Ordinary Shares of £0.01 each; 1 A Ordinary Share of £0.01; 1 B Ordinary Share of £0.01; and 1 C Ordinary Share of £0.01
6	Directors:	S. James-Ashburner; Stephen Argent; Scott Livingston
7	Registered office:	Unit 16, Brunel Court, Quedgeley, Gloucester GL2 2AL
8	Accounting reference date:	31 December
9	Charges	0546-6800-0004 Bibby Financial Services Limited and 0546-60800-0003 Close Brothers Limited

#### WE LOVE PURELY LIMITED

1	Name:	We Love Purely Limited
2	Date of incorporation	17 February 2017
3	Jurisdiction of incorporation:	England and Wales
4	Registered number:	10625324
5	Issued share capital:	162,374 Ordinary Shares of £1.00 each
6	Directors:	Stephen Argent, Scott Livingston, Stefania Pellegrino
7	Registered office:	121 Sloane Street, London SW1X 9BW
8	Accounting reference date:	31 December
9	Charges	None

#### MARKET ROCKET LIMITED

1	Name:	Market Rocket Limited
2	Date of incorporation	1 April 2020
3	Jurisdiction of incorporation:	England and Wales
4	Registered number:	12542388

5 Issued share capital: 100 Ordinary Shares of £1.00 each  
6 Directors: Stephen Argent; Scott Livingston, Amelia Briggs; David Hewett, Henry Peck  
7 Registered office: 121 Sloane Street, London SW1X 9BW  
8 Accounting reference date: 31 December  
9 Charges None

#### **S-VENTURES ACQUISITIONS LIMITED**

1 Name: S-Ventures Acquisitions Limited  
2 Date of incorporation 2 November 2022  
3 Jurisdiction of incorporation: England and Wales  
4 Registered number: 14458432  
5 Issued share capital: 100 Ordinary Shares of £1.00 each  
6 Directors: Stephen Argent; Scott Livingston, David Hewett  
7 Registered office: 121 Sloane Street, London SW1X 9BW  
8 Accounting reference date: 31 December  
9 Charges 144584320001 – Shawbrook Bank Limited

#### **JUVELA LIMITED**

1 Name: Juvela Limited  
2 Date of incorporation 13 March 2007  
3 Jurisdiction of incorporation: England and Wales  
4 Registered number: 06157827  
5 Issued share capital: 1 Ordinary Share of £1.00 each  
6 Directors: Stephen Argent; Scott Livingston, Stephen Lane, Michael Joseph  
7 Registered office: 19 De Havilland Drive, Liverpool L24 8RN  
8 Accounting reference date: 31 December  
9 Charges 061-7827-0001 – Shawbrook Bank Limited

## **SCHEDULE 2**

### **THE SALE SHARES**

150,015,000 Ordinary Shares of £0.01 each; 1 A Ordinary Share of £0.01; 1 B Ordinary Share of £0.01; and 1 C Ordinary Share of £0.01 in Pulsin Limited.

85.1% of the 162,374 Ordinary Shares of £1.00 each in We Love Purely Limited.

100 Ordinary Shares of £1.00 each in Market Rocket Limited.

100 Ordinary Shares of £1.00 each in S-Ventures Acquisitions Limited

## SCHEDULE 3

### SELLER WARRANTIES

#### Part 1

##### Seller General Warranties

#### 1. The Seller

- 1.1 The Seller is duly incorporated, in existence and duly registered and in good standing under the laws of England and Wales.
- 1.2 The Seller has the requisite power and authority to enter into and perform this agreement and each of the other Transaction Documents to be entered into by it pursuant to this agreement.
- 1.3 This agreement and each of the other Transaction Documents to be entered into by it pursuant to this agreement will, when executed, constitute valid and binding obligations on the Seller in accordance with their respective terms.
- 1.4 The execution and delivery of, and the performance by the Seller of its obligations under this agreement and each of the other Transaction Documents, do not and will not:
  - (a) result in a breach of any provision of its memorandum, articles of association, by-laws, any similar constitutional document, order or judgment that applies to or binds it or any of its assets; or
  - (b) result in a breach of any Applicable Laws by which it is bound.
- 1.5 All Permits and filings with any Governmental Entity and all agreements of any other person which are necessary for the Seller, or the relevant Sale Subsidiary, to obtain in order to enter into and perform its obligations under this agreement and each of the other Transaction Documents to which it is a party in accordance with their respective terms have been unconditionally obtained in writing.
- 1.6 There are no:
  - (a) judgments, orders, injunctions or decrees of any Governmental Entity or court or arbitration tribunal outstanding against or affecting any member of the Seller's Group;
  - (b) law suits, actions or proceedings pending or, to the knowledge of the Seller, threatened against or affecting any member of the Seller's Group; or
  - (c) investigations by any Governmental Entity which are pending against any member of the Seller's Group,

which, in any such case, will have an adverse effect on the ability of the Seller or the relevant member of the Seller's Group to execute and deliver, or perform its obligations under, this agreement or any of the other Transaction Documents.

- 1.7 The Seller is not a party to any agreement or bound by any obligation the terms of which will prevent the Buyer from enjoying the full benefit of this agreement.

## **2. The Seller Circular and the Admission Document**

- 1.1 The information contained in the Seller Circular is in accordance with the facts and does not omit anything likely to affect the import of such information and all statements of fact contained in the Seller Circular are true and accurate and are not misleading and the Seller Circular contains all information to allow a shareholder of the Seller to make an informed decision when voting on the resolutions set out in the Seller Circular.

- 1.2 All statements, forecasts, estimates and expressions of opinion, intention or expectation contained in the Admission Document and relating to the Seller and the Sale Subsidiaries are fairly and honestly given, expressed or held and are made on reasonable grounds after due and proper consideration of all the information currently available to the Seller and its directors.

## **3. The Sale Shares and the Sale Subsidiaries**

- 3.1 Each Sale Subsidiary is validly incorporated, in existence and duly registered and/or in good standing (as applicable) under the laws of its jurisdiction of incorporation and has full power under its memorandum and articles of association, or certificate of incorporation or equivalent constitutional documents in its jurisdiction of incorporation to conduct its business.

- 3.2 All of the Sale Shares and all of the shares in Juvela Limited are fully paid or properly credited as fully paid.

- 3.3 The Seller is the sole legal and beneficial owner, free from all Encumbrances, of the Sale Shares and, without limitation to paragraph 1.2 of Part 1 of this Schedule, has the full right, power and authority to sell and transfer all of the Sale Shares free from all Encumbrances and otherwise with Full Title Guarantee to the Buyer pursuant to this agreement.

- 3.4 The Company is the sole legal and beneficial owner, free from all Encumbrances, of every share in the capital of Juvela Limited.

- 3.5 No agreement or arrangement (other than this agreement) exists pursuant to which any person has or may in the future have the right (exercisable now or in the future and whether contingent or not) to call for the issue, allotment, conversion or transfer of any share or loan capital in the Sale Subsidiaries (including by way of option or under any right of conversion or pre-emption).

3.6 The information in respect of the Sale Subsidiaries set out in Schedule 1 is true, complete and accurate.

#### 4. **Constitution**

4.1 The Seller has Disclosed a true and complete copy of the memorandum, articles of association, by-laws or any similar constitutional document of each Sale Subsidiary and each such copy has embodied in it or annexed to it a copy of every such resolution or agreement as is referred to in section 29 of the Companies Act.

4.2 The statutory books (including all registers and minute books) of each Sale Subsidiary have been properly kept and contain a complete and accurate record of the matters which should be dealt with in them and no notice or allegation that any of them is incorrect or should be rectified has been received.

#### 5. **Solvency**

5.1 No order has been made and no resolution has been passed for the winding up of the Sale Subsidiaries or for a provisional liquidator or manager to be appointed in respect of the Sale Subsidiaries and, so far as the Seller is aware, no petition has been presented and no meeting has been convened for the purpose of considering the winding up of the Sale Subsidiaries.

5.2 No administration order has been made and, so far as the Seller is aware, no petition for such an order has been presented in respect of the Sale Subsidiaries.

5.3 No receiver, administrator or manager (which expression shall include an administrative receiver) has been appointed in respect of all or any of the assets of the Sale Subsidiaries, nor has any power of sale or power to appoint a receiver or manager under the terms of any mortgage, charge or other security in respect of all or any assets of the Sale Subsidiaries become exercisable.

5.4 No Sale Subsidiary is unable to pay its debts as they fall due nor is it otherwise liable to be found unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986.

5.5 No statutory demand has been served on the Sale Subsidiaries which has not been paid in full or been withdrawn.

5.6 In the two years before the date of this agreement, no Sale Subsidiary has been a party to any transaction at an undervalue as defined in section 238 of the Insolvency Act 1986 nor given or received any preference as defined in section 239 of that Act.

5.7 No Sale Subsidiary has at any time been party to any transaction defrauding creditors as defined in section 423 of the Insolvency Act 1986.

- 5.8 No loan capital, borrowings or interest is overdue for payment by any Sale Subsidiary and no other material obligation or indebtedness of the Sale Subsidiaries is overdue for performance or payment.
- 5.9 No creditor of the Sale Subsidiaries has taken steps to enforce any debt or other sum owed by that Sale Subsidiary.
- 5.10 No unsatisfied judgment is outstanding against the Sale Subsidiaries.
- 5.11 No Sale Subsidiary has suspended or ceased or threatened to suspend or cease to carry on all or a material part of its business.
- 5.12 No event analogous to any of those described in paragraphs 5.1 to 5.11 of Part 1 of this Schedule has occurred in or outside England.

## 6. **Financial Matters**

### 6.1 The Accounts:

- (a) comply with the requirements of the Companies Act;
- (b) show an accurate view of the state of affairs of the Sale Subsidiaries as at the Accounts Date and of its results for the accounting reference period ended on that date;
- (c) have been prepared on bases and policies of accounting consistent with those adopted in preparing statutory accounts for the prior financial period (the "**Past Accounts**");

6.2 The profits/losses shown in the Accounts and in the Past Accounts have not to a material extent been affected (except as disclosed in those accounts) by any extraordinary or exceptional event or circumstance or by any other factor rendering them unusually high or low..

6.3 None of the books of account, ledgers, registers, records, systems, controls, data or other information of the Sale Subsidiaries is recorded or stored, maintained, operated by or otherwise dependent on, or held by, any means (whether electronic, mechanical, computerised or otherwise) which (including all means of access to them) are not under the exclusive ownership and direct control of the Sale Subsidiaries.

### 6.4 Since the Accounts Date:

- (a) the business of each Sale Subsidiary has been carried on in the ordinary course and so as to maintain it as a going concern and there has been no material adverse change in the financial position trading or prospects of each of the Sale Subsidiaries;



- (b) there has been no material reduction in the aggregate value of the net assets of each Sale Subsidiary as shown in the Accounts, and each Sale Subsidiary has maintained rates of profitability not less than the rates of profitability for the corresponding months in the financial year ended on the Account Date;
- (c) no Sale Subsidiary made or agreed to make any payment or entered into any transaction or commitment or incurred any liability except in the ordinary course of its trading and for full value;
- (d) no Sale Subsidiary acquired or disposed of or agreed to acquire or dispose of any business or any material asset other than trading stock in the ordinary course of trading;
- (e) no dividend or distribution (whether in cash, stock or in kind) of capital or income has been declared made or paid by or in respect of any share capital or assets of each Sale Subsidiary;
- (f) each Sale Subsidiary has paid its creditors within the times agreed with them and there has been no change in the manner or timing of the invoicing or debt collection of each Sale Subsidiary;
- (g) no Sale Subsidiary has offered or agreed to offer price reductions, discounts or rebates on the sale of goods or services; and
- (h) the businesses the Sale Subsidiaries has not been materially and adversely affected by the loss of any important customer(s) or source(s) of supply or any abnormal factor(s) not affecting similar businesses to a similar extent.

6.5 The Management Accounts have been prepared in accordance with United Kingdom generally accepted accountancy practice and principles consistently applied (and on a basis consistent with that upon which the Accounts were prepared) and adequately reflect in all material respects the assets and liabilities (whether actual or contingent) and the state of affairs and financial position of each Sale Subsidiary at the dates to which they have been prepared and its results over the period from the Accounts Date to the date to which they were prepared.

## 7. **Financial Commitments And Borrowings**

7.1 The Seller has Disclosed:

- (a) a true, complete and accurate summary of the Indebtedness of each Sale Subsidiary;
- (b) true, complete and accurate details of all loan and revolving credit or overdraft or factoring or invoice discounting or other like facilities of each Sale Subsidiary and copies of all material documents relating to each such facility; and

- (c) full particulars of all the bank accounts of each Sale Subsidiary and of the bank mandates applicable to them.
- 7.2 There is no Indebtedness of any Sale Subsidiary which is overdue for payment or discharge by more than three months, and (assuming continuance of its existing bank and other financial facilities which have been Disclosed).
- 7.3 So far as the Seller is aware:
  - (a) no event has occurred which has resulted, or could result, in any present or future Indebtedness of any Sale Subsidiary becoming due or capable of being declared due and payable prior to its date of maturity; and
  - (b) no event has occurred which is or would, with the giving of notice or the passing of time, be an event on which the Sale Subsidiaries' bank facilities or other borrowings or any of them have or could become immediately repayable or any security granted by or over any property or assets of the Sale Subsidiaries is or could become enforceable.
- 7.4 No Sale Subsidiary is or has agreed to become bound by any guarantee or indemnity or suretyship or similar commitment other than those identified in the Admission Document, and there is not now outstanding any such guarantee, indemnity, suretyship or similar commitment given for the accommodation of or in respect of any obligation or liability of the Sale Subsidiaries.
- 7.5 No Sale Subsidiary owes any debts other than debts which have arisen in the ordinary course of business.
- 7.6 No Sale Subsidiary is, nor has it been, engaged in any arrangements which are not properly shown or reflected in the Accounts and which involve the raising of finance under which that Sale Subsidiary is or may become liable to repay Indebtedness.
- 7.7 No investment or other grant or allowance and or loan or financial aid of any kind has been applied for or received or is receivable by the Sale Subsidiaries from any Governmental Entity.
- 8. **Contracts**
- 8.1 All contracts that are material to the Sale Subsidiaries have been Disclosed or are summarised in the Admission Document.
- 8.2 No Sale Subsidiary is party to, nor is it liable in respect of, and none of the assets or property owned or used by the Sale Subsidiaries is affected by:
  - (a) any contract, covenant, commitment or arrangement:

- (i) which involves obligations, restrictions, expenditure or receipts of an onerous or unusual nature or which is likely to be unprofitable;
  - (ii) which is not terminable by the relevant Sale Subsidiary without compensation by three months' notice or less or which is unlikely to be fully performed within three months from the date of this agreement;
  - (iii) made otherwise than in the ordinary and usual course of the business of the relevant Sale Subsidiary as now carried on;
  - (iv) in respect of which any party to the contract, covenant, commitment or arrangement has not performed and complied with its obligations;
  - (v) which is not entirely of an arm's length nature;
  - (vi) which in any way restricts the freedom of the relevant Sale Subsidiary to deal with or realise its assets or any of them and/or carry on its business or any part of it in any part of the world in such a manner as it thinks fit; or
  - (vii)
- (b) any partnership, joint venture, consortium, trade association or society or any related agreement or arrangement;
  - (c) any selling, purchasing, manufacturing, licensing, franchising, agency, distribution or other similar agreement or arrangement relating to the sale or supply of goods or services by or to the relevant Sale Subsidiary.

8.3 None of the products manufactured or promoted or sold or otherwise supplied by or through the Sale Subsidiaries have at any time infringed any applicable statutes, regulations, orders or other provisions of law, nor have they given rise to any product liability on the part of the Sale Subsidiaries, whether under the Consumer Protection Act 1987 or otherwise.

## 9. **Assets**

9.1 Save for trading stock disposed of in the ordinary course of trading, the assets included in the Accounts or acquired by the Sale Subsidiaries since the Accounts Date, and all other assets used or employed by the Sale Subsidiaries, are the absolute property of the relevant Sale Subsidiary free from any bill of sale, retention of title arrangement or other Encumbrance and none of them are the subject of any leasing, hiring, hire purchase, assignment, factoring or other similar agreement or arrangement, nor are they the subject of any agreement or arrangement for payment on deferred terms. All such assets are in the possession, or under the control, of the relevant Sale Subsidiary.

9.2 The trading stock records of each Sale Subsidiary are up to date and accurate in all material respects Each Sale Subsidiary is in possession of up-to-date registers showing a

complete and accurate record of all plant, machinery, office equipment and vehicles owned or used by it and the plant, machinery, office equipment, vehicles and other moveable assets used by it:

- (a) are regularly maintained and fully serviceable; and
- (b) are duly licensed where necessary.

9.3 Each Sale Subsidiary is owed money only as original creditor and is not owed any money other than trade debts incurred in the ordinary course of business and cash at bank.

9.4 No amounts are presently owing to the Sale Subsidiaries as a result of any loan or advance made by the Sale Subsidiaries prior to the date of this agreement (otherwise than as a result of giving credit in the normal course of business) and no Sale Subsidiary has agreed to make any such loan or advance.

## 10. **The Properties**

10.1 No Sale Subsidiary by its use or occupation of the Properties or any of them, contravenes any lease or other right under which it occupies the same and/or any requirement or restriction having the force of law.

10.2 Each Sale Subsidiary has complied with all covenants, conditions, restrictions, statutory and other requirements, by-laws, orders and regulations (including any imposed by or pursuant to the Planning Acts (as defined in section 336 of the Town and Country Planning Act 1990) or any Building Acts or Regulations) affecting each Property, none of which is of an unusual or onerous nature or prejudicially affects the Property or the relevant Sale Subsidiary's use, occupation or powers of disposal of the same.

10.3 So far as the Seller is aware, nothing has been done or has occurred which could prevent or restrict any development or use of the Properties (or any part of any of them) for which planning permission has been or is expected to be obtained.

10.4 So far as the Seller is aware, no notices, orders, proposals, applications, requests or schedules of dilapidations affecting or relating to any of the Properties have been served or made by any person and, so far as the Seller is aware, there are no circumstances which are likely to result in any being served or made.

10.5 There exists no dispute between the Sale Subsidiaries and the landlord or the tenant or occupier of any of the Properties (or any part of any of them) or the owner or occupier of any other premises adjacent to any of the Properties, and the Seller is not aware of any circumstances which may give rise to any such dispute.

10.6 There are no rights for any landlord to break the term and there are no circumstances which would entitle or require any landlord or any other person to exercise any power of entry upon, or right to be in possession of, any such Properties, or which would otherwise restrict or terminate the continued possession or occupation of any of them, and all rents

and service charges in respect of any such Properties have been paid to date and when due.

- 10.7 There is no outstanding monetary claim or liability (contingent or otherwise) affecting the Properties and, in the case of any Property which is leasehold, there are no rent reviews in the course of being determined or exercisable by the landlord from a date prior to Completion.
- 10.8 Save for the Properties, no Sale Subsidiary owns, occupies or otherwise uses or has any interest in any land or buildings (whether of freehold, leasehold or other tenure) nor any rights or obligations to acquire any such interest, and no Sale Subsidiary has any liability (existing or contingent) in respect of any such land or building previously owned, occupied or otherwise used by it or in which it had any interest.

## 11. Intellectual Property

- 11.1 Full particulars of all Intellectual Property Rights owned or used by the Sale Subsidiaries in connection with its business have been Disclosed, all such Intellectual Property Rights are in the sole beneficial ownership of a Sale Subsidiary and, to the extent capable of registration, registered in the name of the relevant Sale Subsidiary as sole proprietor, and all fees and renewal fees payable in respect of such registrations have been paid to date and when due.
- 11.2 All of the Intellectual Property Rights owned or used by each Sale Subsidiary are valid and enforceable and, so far as the Seller is aware, none of them are being, and nothing has been done or omitted to be done whereby any of them might be, used, claimed, opposed or attacked by any other person. No Sale Subsidiary is party to any agreement or arrangement for the licensing or the use, provision or acquisition of any Intellectual Property Rights or which prohibits or restricts the ability of the Sale Subsidiaries to disclose or use any such Intellectual Property Rights.
- 11.3 No Sale Subsidiary requires any Intellectual Property Rights (other than those Disclosed) or any licence to use any Intellectual Property Rights for any of the operations of any of its business or for the use of any of its assets.
- 11.4 Each Sale Subsidiary is entitled to carry on the businesses now carried on by it in the manner in which it is now carried on, and neither the manner of such business nor the operations of the Sale Subsidiaries infringes any Intellectual Property Rights of any other person or will give rise to a liability on the Sale Subsidiaries to make payment of any royalty or other compensation pursuant to any applicable legislation or otherwise.
- 11.5 No person has outstanding any claim against the Sale Subsidiaries based on such person's Intellectual Property Rights.
- 11.6 So far as the Seller is aware, no Sale Subsidiary's Intellectual Property Rights are being, nor have been, infringed by any person.

11.7 So far as the Seller is aware, no Sale Subsidiary has disclosed or permitted to be disclosed, or undertaken or arranged to disclose, to any person any of its knowhow, secrets, confidential information, technical processes or lists of customers or suppliers.

## 12. IT Systems

12.1 All material IT Contracts to which the Sale Subsidiaries is a party have been Disclosed.

12.2 Each Sale Subsidiary owns free from all Encumbrances or is licensed to use all IT Systems used by it in the operation of its business.

12.3 No IT System is dependent upon any facilities or services not under the exclusive ownership and control of a Sale Subsidiary. All of the IT Systems are used exclusively by a Sale Subsidiary.

12.4 Complete copies of each of the IT Contracts necessary for the day-to-day operation of the Sale Subsidiaries's business have been Disclosed and each of the IT Contracts is in full force and effect and is not the subject of any breach or default.

12.5 There are no plans to replace or upgrade any material part of the IT Systems within the period of 12 months from the date of this agreement.

12.6 Disaster recovery plans are in place to ensure that the IT Systems can be replaced without material disruption to the business of the Sale Subsidiaries in the event of failure of the IT Systems or any part of them.

12.7 There are no performance reductions or logical or physical intrusions to any IT Systems or loss of data which have had (or are having) a material adverse effect on the use of such systems by the Sale Subsidiaries nor have there been any in the past two years.

## 13. Data protection

13.1 In this paragraph 12, the following definitions apply:

**"Data Protection Legislation"** means all laws relating to the processing of personal data or the protection of the privacy of individuals, in each case that are applicable to each Sale Subsidiary from time to time, including:

- (a) GDPR and all related national laws and regulations, including the Data Protection Act 2018;
- (b) the Data Protection Act 1998 and all other related national laws and regulations implementing European Directive 95/46/EC; and
- (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all other related national laws and regulations implementing European Directive 2002/58/EC;

"**GDPR**" means the General Data Protection Regulation (EU) 2016/679; and

"**Sensitive Personal Data**" means personal data revealing the characteristics identified in Article 9(1) of the GDPR and personal data relating to criminal convictions and offences identified in Article 10 of the GDPR;

and the terms "**personal data**", "**data subject**", "**processing**", "**controller**", "**processor**", "**personal data breach**" and "**supervisory authority**" have the meanings given to them in the GDPR.

13.2 In respect of any personal data processed by the Sale Subsidiaries, each Sale Subsidiary has complied in all material respects with the Data Protection Legislation including (without limitation) as follows:

- (a) each Sale Subsidiary processes personal data in a manner consistent with the principles set out in Article 5 of the GDPR;
- (b) each Sale Subsidiary has conducted and documented an assessment of, and implemented appropriate technical and organisational measures to ensure that, its processing activities are compliant with the requirements of the Data Protection Legislation;
- (c) each Sale Subsidiary has, where required under Data Protection Legislation, appointed a data protection officer and notified such appointment to the relevant supervisory authority;
- (d) Each Sale Subsidiary maintains up to date records of processing as required under Data Protection Legislation;
- (e) Each Sale Subsidiary has, in respect of processing activities it undertakes as a controller, provided data subjects with all information regarding its processing activities required under the Data Protection Legislation, such information is provided to data subjects in the format required under the Data Protection Legislation, and each Sale Subsidiary processes (and ensures that any parties to which it transfers the personal data process) personal data in a manner consistent with that information;
- (f)
- (g) each Sale Subsidiary has implemented (and procured that any parties to which it transfers the personal data have implemented) appropriate technical and organisational security measures in accordance with the Data Protection Legislation to protect against the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to personal data;
- (h) each Sale Subsidiary has entered into a binding agreement with each person engaged to process personal data on its behalf that complies with the requirements

of the Data Protection Legislation and each such processor has at all times complied with such agreement;

- (i) the Sale Subsidiaries do not (and procure that any parties to which they transfer the personal data do not) transfer personal data outside of the European Economic Area or the United Kingdom other than as permitted under the Data Protection Legislation;
- (j) no Sale Subsidiary sends unsolicited electronic marketing messages other than in accordance with the Data Protection Legislation and all other applicable codes of practice including obtaining any necessary consents;
- (k) each Sale Subsidiary does not engage in any automated processing, including profiling, which produces legal effects concerning the data subject or similarly significantly affects the data subject, other than as permitted under the Data Protection Legislation; and
- (l) each Sale Subsidiary has, to the extent it acts as a processor, entered into a binding agreement with the relevant controller that complies with the requirements of the Data Protection Legislation; and has complied with all such agreements, including processing personal data only on documented instructions from the controller, unless required to do so by European Union or Member State law to which the Company is subject.

13.3 No Sale Subsidiary, prior to Completion:

- (a) suffered a personal data breach;
- (b) received any enforcement notice, information notice, special information notice, monetary penalty notice or other written notice, letter or complaint alleging a breach by it of any of the provisions of the Data Protection Legislation, requesting information as to its data protection policies or practices, or prohibiting it from undertaking any processing activity, and no circumstances exist which may give rise to any of the above;
- (c) awarded compensation to any individual under the Data Protection Legislation, no claim for such compensation is outstanding and, so far as the Seller is aware, there is no reason to believe that any circumstances exist which might lead to any claim for compensation being made; or
- (d) received any warrant issued under the Data Protection Legislation authorising the Information Commissioner or other relevant supervisory authorities to enter any premises of any Sale Subsidiary.

13.4 No Sale Subsidiary the subject of any order made against it for the rectification, blocking, erasure or destruction of any data under the Data Protection Legislation, no application for such an order is outstanding and, so far as the Seller is aware there is no reason to believe



that any circumstances exist which might lead to any application for such an order being made.

#### **14. Regulatory Matters**

- 14.1 All Permits (including Environmental Consents as defined in paragraph 16 of Part 1 of this Schedule and licences under the consumer credit legislation) necessary to enable Each Sale Subsidiary to carry on its business and/to use its assets effectively in the places and in the manner in which such business is now carried on or in which assets are presently used have been obtained by the relevant Sale Subsidiary and the relevant Sale Subsidiary has complied with all conditions attaching to such Permits. A true, complete and accurate copy of each such Permit has been Disclosed, all such Permits are in full force and effect and have been fully complied with by the relevant Sale Subsidiary, and the Seller is not aware of any circumstances indicating that any of them is likely to be suspended, cancelled, revoked, varied or not renewed in the ordinary course.
- 14.2 No Sale Subsidiary has any branch outside England or any permanent establishment outside the United Kingdom.
- 14.3 No Sale Subsidiary is, nor have they ever been the subject of any enquiry, investigation, inquiry or complaint by, or the threat of the same from, any Governmental Entity, including the European Commission and the Competition & Markets Authority.
- 14.4 None of the practices of the Sale Subsidiaries are or have been the subject of, or are or have been susceptible to or affected by, any investigation, reference, report or order made by, and no Sale Subsidiary has received any process notice or communication (formal or informal) from, the Office of Fair Trading, the Competition and Markets Authority, the Consumer Protection Advisory Committee, the Trading Standards Authority, the Competition Commission, any Secretary of State, the European Commission or any other authority of any country having jurisdiction in anti-trust matters or in respect of international trade sanctions or Anti-Corruption Laws or practices, and no undertaking has been given by the Sale Subsidiaries to any such body or authority.
- 14.5 No Sale Subsidiary is active in any of the 17 areas of the economy specified in The National Security and Investment Act 2021 (Notifiable Acquisition) (Specification of Qualifying Entities) Regulations 2021 and no Sale Subsidiary conducts activities closely linked with these areas.
- 14.6 Each Sale Subsidiary has complied with the provisions of the Companies Act, and all returns, particulars, resolutions and other documents required under any legislation to be delivered on behalf of Each Sale Subsidiary to the relevant registrar of companies or to any other Governmental Entity have been properly made and delivered within the requisite time limits.

#### **15. Litigation**

No Sale Subsidiary, nor any person for whose acts or defaults the Sale Subsidiaries may be vicariously liable, is subject to any outstanding order or decree of any court or tribunal, and no such person is engaged in, or proposing to engage in, or is the subject of any litigation, arbitration, investigation, prosecution or other tribunal or legal proceedings or any claims or actions. So far as the Seller is aware, no such litigation, arbitration, investigation, prosecution or other tribunal or legal proceedings or claims or actions are pending or threatened by or against the Sale Subsidiaries or any such person or in respect of which the Sale Subsidiaries is or could be liable to indemnify or compensate any third party, and there are no facts or other circumstances which will or could reasonably be expected to give rise to or result in any such litigation, arbitration, investigation, prosecution or other tribunal or legal proceedings or claims or actions.

16. **Anti-Corruption**

16.1 So far as the Seller is aware, no Sale Subsidiary is, nor has it at any time, engaged in any activity, practice or conduct which would violate any Anti-Corruption Laws.

16.2 Each Sale Subsidiary has in place, at all times, such policies and procedures in relation to corruption as may be required by, or reasonably necessary to ensure continued compliance with any Anti-Corruption Laws applicable to the relevant Sale Subsidiary including, where applicable, in relation to bribery, the giving and receiving of gifts and entertainment, the giving of political and charitable contributions, risk assessment of business partners and internal reporting and training.

17. **Environmental**

17.1 In this paragraph 17 the following words and expressions shall have the following meanings:

**"Environment"** means the natural and man-made environment, including all or any of the following media, namely air (including the air within buildings or other natural or man-made structures above or below ground), water (including water under or within land or drains or sewers) and land and any living organisms (including man) or systems supported by those media;

**"Environmental Consents"** means any Permit required under Environmental Laws for the carrying on of the business of the Sale Subsidiaries or the use of, or any activities or operations carried out at, any of the Properties;

**"Environmental Laws"** means all Applicable Laws which are in force and binding at the date of this agreement and relate to Environmental Matters;

**"Environmental Matters"** means all matters relating to the control of Hazardous Substances or waste, pollution or protection of the Environment and/or the health and wellbeing of human beings and other living things;

**"Harm"** means harm to the Environment and, in the case of man, includes offence caused to any of his senses or harm to his property; and

**"Hazardous Substances"** means any material, substance or organism which, alone or in combination with others, is capable of causing Harm.

- 17.2 Each Sale Subsidiary is complying in all material respects with all Environmental Laws and all recommendations, requests or demands from any Governmental Entity in relation to Environmental Matters.
- 17.3 No Sale Subsidiary has, nor so far as the Seller is aware has any of its officers or employees, incurred or become subject to any civil or criminal liability in relation to any matters referred to in paragraph 17.2 of Part 1 of this Schedule and the Seller is not aware of any matters or circumstances which might give rise to any such liability, including any current, pending or threatened court or administrative proceedings.
- 17.4 None of the Properties:
- (a) is, has been or is likely to have been contaminated by any Hazardous Substances or has been subject to any land use which might reasonably be expected to have resulted in its being contaminated, and there are no circumstances which may require expenditure in remediating any Property in order to comply with Environmental Laws or otherwise for the protection of the Environment;
  - (b) comprises reclaimed, made or filled land; or
  - (c) is in such a state and condition that it falls within the meaning of "contaminated land" as defined by part IIA of the Environmental Protection Act 1990, and there are no circumstances which would be likely to result in any of them falling within that definition.
- 17.5 So far as the Seller is aware, there are no facts or circumstances whereby the Sale Subsidiaries might be classified as an "appropriate person" for the purposes of part IIA of the Environmental Protection Act 1990.
- 17.6 No Sale Subsidiary has received any enforcement, prohibition, stop, remediation, improvement or any other notice from any Governmental Entity with regard to any breach of Environmental Laws.
- 17.7 So far as the Seller is aware, there are, and have been, no landfills, underground storage tanks or uncontained or unlined storage treatment or disposal areas for Hazardous Substances or waste (whether permitted by Environmental Laws or otherwise) present or carried out at, on or under any of the Properties or within 200 metres of any of the Properties.
- 17.8 In relation to the Sale Subsidiaries, neither the Seller nor the Sale Subsidiaries has an obligation under the Producer Responsibility (Packaging Waste) Regulations 2007 to

recycle or recover packaging or participate in any scheme or other arrangement for the recycling or recovery of packaging.

## 18. **Insurance**

- 18.1 Each Sale Subsidiary is, and has at all material times been, fully covered by valid insurances against all normal risks, having regard to the type of business carried on and assets owned or used by it, including adequate insurance for the full replacement or reinstatement value of such business and assets, against liability to third parties (including product liability, risks which it is contractually obliged by a third party to cover, public liability and employee's liability) and against loss of profits for a period of not less than six months.
- 18.2 The policies of insurance to which the Sale Subsidiaries is a party are, so far as the Seller is aware, valid and enforceable and all premiums due have been paid to date and when due, and, so far as the Seller is aware:
- (a) there are no outstanding claims or circumstances likely to give rise to a claim under any such policy and
  - (b) nothing has been done or omitted to be done which has made or could make any such policy void or voidable or whereby the renewal of any such policy might be affected or the premiums due in respect of any of them be increased.

## 19. **Employees**

- 19.1 The Employees are wholly employed by the Sale Subsidiaries and are the only employees of the Sale Subsidiaries.
- 19.2 No person's services are provided to a Sale Subsidiary by means of a contract for services or any consultancy arrangement. No person who is not an Employee is a 'worker' within the meaning of section 230 of the Employment Rights Act 1996.
- 19.3 All employment contracts, staff handbooks, policies and procedures comply with the provisions of the Employment Equality (Age) Regulations 2006 (to the extent applicable) and the Equality Act 2010.
- 19.4 No Employee, officer, worker or consultant will be entitled by reason of this transaction to any one-off payment or similar, or to terminate his employment or service on other than his normal contractual terms, and no Employee's contract of employment contains any pay *in lieu* of notice clauses or liquidated damages clauses or any other provision whereby this transaction triggers or otherwise brings about any change to such contracts.
- 19.5 No complaint has been presented to the Central Arbitration Committee by any representative of any of the Employees pursuant to regulation 22 of ICE.
- 19.6 Each Sale Subsidiary has complied in all respects with the provisions of ICE.

19.7 Every Employee or worker of a Sale Subsidiary who requires a work permit or other permission to work in the United Kingdom has such a current and appropriate work permit or other permission and all other necessary permissions to enter and/or remain and to work in the United Kingdom, and the relevant Sale Subsidiary has taken all necessary steps to comply with the Immigration, Asylum and Nationality Act 2006.

## 20. Pensions

20.1 The Pension Scheme is the only arrangement under which the Sale Subsidiaries has or may have any obligation (whether or not legally binding) to provide or contribute towards pension, lump-sum, death, ill-health, disability or accident benefits in respect of its past or present officers and employees (together, the "**Pensionable Employees**"). No proposal or announcement has been made to any employee or officer of any Sale Subsidiary as to the introduction, continuance, increase or improvement of, or the payment of a contribution towards, any other pension, lump-sum, death, ill-health, disability or accident benefit.

20.2 Each Sale Subsidiary has complied with its automatic enrolment obligations as required by the Pensions Act 2008 (the "**PA 2008**") and associated legislation. No notices, fines, or other sanctions have been issued by the Pensions Regulator and no instances of non-compliance with the automatic enrolment obligations have been notified to the Pension Regulator in respect of the Sale Subsidiaries.

## 21. Disclosure

21.1 The statements of fact and information contained or referred to in:

### Part 2

#### Seller Tax Warranties

##### 1. General

1.1 The Accounts have been prepared on a basis consistent with previous accounts and under generally accepted accounting principles and they fully and accurately provide for all tax liabilities of each Sale Subsidiary as at the Accounts Date, including full provisions for contingent and/or deferred taxes at such a date.

1.2 Since the Accounts Date no tax liability of the Sale Subsidiaries has arisen other than in the ordinary course of business of the relevant Sale Subsidiary.

1.3 No Sale Subsidiary a large company for the purposes of the Corporation Tax (Instalment Payments) Regulations 1998 (SI 1998/3175) and each Sale Subsidiary has correctly made payment of its corporation tax arising in the accounting period ending on the Accounts Date under section 59D of the Taxes Management Act 1970.

1.4 No Sale Subsidiary has engaged in or been a party to a scheme or arrangement of which the main purpose, or one of the main purposes, was the avoidance of taxation or the

obtaining of a taxation advantage. No Sale Subsidiary has taken part in any arrangements in respect of which any disclosure has or should have been made or any information provided in compliance with Part 7 of the Finance Act 2004 or Schedule 11A to the VATA or any regulations made under that part or schedule.

- 1.5 Any transaction by the Sale Subsidiaries for which any clearance, approval or consent (a "**Clearance**") from a Tax Authority was legally required or sought was carried out only after such Clearance was obtained. Each application upon which a Clearance was based disclosed all facts and circumstances which could reasonably have affected the decision of the relevant Tax Authority to grant the Clearance.
- 1.6 This agreement, and the implementation of the transactions contemplated by this agreement, will not result in the Sale Subsidiaries incurring any liability to taxation or utilising or setting off any Reliefs, or result for any tax purposes in the deemed disposal, realisation or assignment of any of the assets or liabilities of the Sale Subsidiaries, or the withdrawal, postponement, restriction or loss of any Relief claimed by the Sale Subsidiaries before Completion. Without limitation to the foregoing, no event occurred on or before Completion in consequence of which section 179 of the TCGA or section 345 or section 63 of the CTA 2009 could apply as a result of this agreement or the implementation of the transactions contemplated by this agreement.
- 1.7 No Sale Subsidiary is or has been party to any transaction or arrangement under which it may be or has been required to compute its profits or losses for tax purposes as if arm's length terms had been made or imposed instead of the actual terms, or otherwise to make any adjustment for tax purposes to the terms on which the transaction or arrangement took place. Each Sale Subsidiary has sufficient information and records to enable it to comply with, or establish that it is not subject to the operation of Part 4 of the Taxation (International and Other Provisions) Act 2010.
- 1.8 There is neither unrelieved surplus Advance Corporation Tax ("**ACT**") nor any shadow ACT for the Sale Subsidiaries as at the date of this agreement.
- 1.9 There are no, nor have there been any, companies which are under the control of the same person or persons which control the Sale Subsidiaries such that the relevant Sale Subsidiary is, or was, not entitled to the small profits rate of tax for corporation tax purposes.

## 2. **Compliance**

- 2.1 Each Sale Subsidiary has within the past six years made all returns, claims for relief, applications, notifications, computations, reports, accounts, statements, supplies of information, registrations and assessments ("**Returns**") it is or was required by law to submit to a Tax Authority. All Returns have been in the required form and have been properly submitted by Each Sale Subsidiary within any relevant time limits. The Returns were and remain true, complete and accurate, give full disclosure of all material facts and circumstances and are not the subject of any question or dispute, nor are they, so far as

the Seller is aware, likely to become the subject of any question or dispute with any Tax Authority.

- 2.2 Each Sale Subsidiary has within the past six years prepared, kept and preserved full and sufficient records as required by law and to enable it to deliver correct and complete Returns and to calculate any present or, so far as possible, future liability of it for taxation including in relation to a future disposal of any of its existing assets or its entitlement to any Relief. Such records are accurate and up to date. Each Sale Subsidiary has maintained arrangements for keeping accounting records which are sufficient to enable the relevant Sale Subsidiary's liabilities to tax to be calculated accurately in all material respects. No Sale Subsidiary is, nor ever has been a qualifying company for the purposes of Schedule 46 to the Finance Act 2009.
- 2.3 The Disclosure Letter or the Data Room sets out details of all Returns which the Accounts assume will be made but which have yet to be submitted.
- 2.4 Each Sale Subsidiary has within the past six years properly and punctually paid all taxation which it has become liable to pay. Each Sale Subsidiary has, where legally obliged to do so, deducted or withheld amounts in respect of taxation and has properly and punctually accounted to the relevant Tax Authority for the taxation so deducted or withheld.
- 2.5 No Tax Authority has agreed to operate any special arrangement (being an arrangement which is not based on a strict and detailed application of the relevant legislation, statements of practice or published extra-statutory concessions) in relation to the Sale Subsidiaries' respective affairs.
- 2.6 No Sale Subsidiary is or, so far as the Seller is aware, is it likely to be involved in a dispute in relation to taxation.

### **3. Distributions and loan relationships**

- 3.1 Each Sale Subsidiary has properly accounted for all loan relationships, as defined in section 302 of the CTA 2009 to which it has been a party.
- 3.2 No Sale Subsidiary has been a party to an intra-group transfer of a loan or a reorganisation to which Chapter 4 of Part 5 (sections 335 to 347 (inclusive)) of the CTA 2009 could apply.
- 3.3 No Sale Subsidiary has been a party to a scheme or arrangement involving any loan relationship for the purpose of tax avoidance, including arrangements to which Chapter 15 of Part 5 (sections 440 to 455A (inclusive)) of the CTA 2009 could apply.
- 3.4 No Sale Subsidiary has been involved in a relationship which would fall within the definition of a 'connected companies relationship' as defined under section 348(2) of the CTA 2009 nor where Chapter 5, Chapter 6 or Chapter 8 of Part 5 of the CTA 2009 could apply.
- 3.5 All interest, discounts or premiums payable by each Sale Subsidiary on its loan relationships are eligible to be brought into account as debits for the purpose of Part 5 of

the CTA 2009 at the same time and to the same extent as those debits are recognised in the relevant Sale Subsidiary's statutory accounts.

#### **4. Capital allowances**

4.1 The aggregate book value in or adopted for the purposes of the Accounts of the assets of each Sale Subsidiary which qualify for allowances under the Capital Allowances Act 2001 (the "**CAA 2001**") does not exceed the aggregate residue of qualifying expenditure or written-down value attributable to such assets as at the Accounts Date for the purposes of that Act. The aggregate book value in or adopted for the purposes of the Accounts of assets allocated to a pool of assets which qualify for allowances under the CAA 2001 does not exceed the available qualifying expenditure in respect of each such pool as at the Accounts Date under that Act.

4.2 Since the Accounts Date any claims for capital allowances which have been made under the CAA 2001 have not been withdrawn, and no available allowances have been disclaimed.

4.3 No capital allowances have been claimed by the Sale Subsidiaries in respect of any asset which is leased to or from, or hired to or from, the Sale Subsidiaries.

4.4 Each Sale Subsidiary has only one plant and machinery pool.

#### **5. Capital gains and intangible assets**

5.1 The book value in or adopted for the purposes of the Accounts of each of the assets of each Sale Subsidiary on the disposal of which a chargeable gain or allowable loss could arise does not exceed the amount deductible under section 38 of the TCGA in respect of each such asset. No chargeable gain would (or would but for any relief, allowance, deduction or credit other than amounts falling to be deducted under section 38 of the TCGA) arise on the disposal to an unconnected party of any asset acquired by the Sale Subsidiaries since the Accounts Date for a consideration equal to that paid on its acquisition.

5.2 The execution or completion of this agreement or any other event since the Accounts Date will not result in any Intellectual Property Rights being deemed to have been disposed of and re-acquired by the Sale Subsidiaries under section 780 or section 785 of the CTA 2009.

5.3 No Sale Subsidiary has been party to an election, nor has it undertaken to be party to an election, pursuant to section 171A or section 179A of the TCGA or section 792 of the CTA 2009.

5.4 None of the assets of the Sale Subsidiaries has any "held-over gain" as defined in section 154(1) of the TCGA to which section 154(2) of the TCGA applies.



- 5.5 No taxation liability would arise if the Sale Subsidiaries were to dispose of or realise each, if any, of its assets which are intangible fixed assets to which Part 8 of the CTA 2009 applies for a consideration equal to their book value in or adopted for the purposes of the Accounts.
- 5.6 No Sale Subsidiary is or has ever been involved in any reorganisation and/or reconstruction, including under section 135, section 136 or section 139 of the TCGA.
- 5.7 HMRC has never issued any notices to the Sale Subsidiaries under section 184I of the TCGA relating to avoidance arrangements involving losses under sections 184G and 184H TCGA.
- 5.8 There have been no disposals by the Sale Subsidiaries whereby exemption from chargeable gains arose under the substantial shareholding regime nor in respect of which paragraph 38 of Schedule 7AC to the TCGA could apply.

## 6. **Value Added Tax**

- 6.1 The Sale Subsidiaries have within the past 4 years complied fully with their legal obligations relating to value added tax, including maintaining and retaining complete, accurate and up to date records, invoices and other documents in such form and for such periods as required by law.
- 6.2 Since the Accounts Date, no Target Subsidiary has made any disposals of any capital item which fall within the provisions of the capital goods scheme during the adjustment period which could have created a net taxable benefit to the Sale Subsidiaries by virtue of the input tax initially deducted in respect of such item and after taking into account any adjustments under the scheme exceeding the output tax arising on such disposal.
- 6.3 Each Sale Subsidiary has made the necessary proper adjustments relating to input tax in respect of all capital items relevant to the capital goods scheme and has full records relating to such capital items which provide accurate details relating to their value and the amount of input tax reclaimed and adjustments to such tax as required under the scheme.

## 7. **Employees**

- 7.1 Each Sale Subsidiary has complied fully with its legal obligations relating to PAYE and National Insurance contributions and any similar amounts payable to a Tax Authority outside the United Kingdom.
- 7.2 Any amounts paid by the Sale Subsidiaries to, or for the direct or indirect benefit of, a person who is or who may be regarded by any Tax Authority as an employee of the Sale Subsidiaries, or who would be regarded as such an employee but for the involvement of an intermediary company, have been made to that person, or intermediary company as the case may be, directly and not to any company or other entity associated with that person.

- 7.3 No person has acquired any securities, any securities option or any interest in securities (in each case, within the meaning of Part 7 of the Income Tax (Earnings and Pensions) Act 2003 ("ITEPA")) where the right or opportunity to acquire the same is or was available by reason of an employment of that or any other person for the purposes of that Part.
- 7.4 No taxation has arisen to the Sale Subsidiaries by reason of any legal provision applying to managed service companies (as defined in section 61B of ITEPA).
- 7.5 There is no arrangement, formal or informal, so far as the Seller is aware, for any payment to be made to, or for any benefit to be received by, any current, former or prospective employee or office-holder in connection with this agreement or the transactions contemplated by this agreement.
- 7.6 No relevant step (within the meaning of Part 7A of ITEPA) has been taken in pursuance of, or in connection with, arrangements concerned with the provision of rewards or recognition or loans in connection with any employee or former employee (or any associate of such person) of the Sale Subsidiaries, and no such relevant step will be taken prior to, on or in connection with Completion.
- 7.7 There are no trusts or other arrangements in place, whether funded or established by the Sale Subsidiaries or of which the Seller is aware, under which any employees or former employees of the Sale Subsidiaries or any persons associated with such employees or former employees can obtain a benefit in any form.
- 7.8 No payments have been made by the Sale Subsidiaries relating to termination of employment under section 401 of ITEPA.
- 7.9 Each Sale Subsidiary has at all times deducted and made the appropriate payments in respect of NICs on all payments made to its directors and office holders, including non-executive directors providing services under a letter of engagement.
8. **Stamp taxes**
- 8.1 The implementation of the transactions contemplated by this agreement will not result in the withdrawal of any exemption or relief previously claimed by the Sale Subsidiaries in respect of stamp duty, stamp duty land tax or any similar duty or tax in a jurisdiction outside the United Kingdom.
- 8.2 No Sale Subsidiary has applied for relief for stamp duty under section 42 of the Finance Act 1930 in respect of any transfer of property between any associated companies as defined in that section.
- 8.3 No UK land and property is held in a separate non-trading company, whether incorporated in the UK or elsewhere.
- 8.4 No SDLT could arise on the Sale Subsidiaries from the withdrawal of exemption from or reduction in SDLT arising from any reconstruction under paragraph 7 of Schedule 7 to the

Finance Act 2003 or in connection with acquisition relief under paragraph 8 of Schedule 7 to the Finance Act 2003, such withdrawal arising from, but not restricted to, Completion.

## 9. **Secondary Tax liabilities**

9.1 There has been no change in the ownership of any company which has been under the control of the Sale Subsidiaries within the period of three years ending on the date of this agreement, nor has there been any major change in the nature or conduct of the trade or business of any company under the control of the Sale Subsidiaries during such period.

9.2 No activities of the trade or business of any company which has been under the control of the Sale Subsidiaries before the date of this agreement have ceased or become small or negligible.

9.3 No Sale Subsidiary can become liable for a charge to corporation tax arising as a result of a degrouping charge relating to intangible fixed assets under section 795 of the CTA 2009.

## 10. **International**

Each Sale Subsidiary was incorporated in, and is and always has been resident in, the United Kingdom for taxation purposes.

## 11. **Research and development (R&D)**

11.1 Each Sale Subsidiary is a small or medium-sized enterprise as referred to in section 1119 of the CTA 2009 and has maintained full records relating to claims made for corporation tax relief for qualifying expenditure on research and development, and all such claims have been properly made under section 87 of the CTA 2009 and Part 13 (sections 1039 to 1142 (inclusive)) of the CTA 2009.

## 12. **Inheritance tax**

12.1 No Sale Subsidiary has made any transfer of value within the meaning of the Inheritance Tax Act 1984 (the "IHTA").

12.2 Neither the assets owned by, nor the shares of, the Sale Subsidiaries are subject to an outstanding Inland Revenue charge as defined in section 237 of the IHTA.

12.3 No circumstances exist or, but for section 204(6) of the IHTA, would exist such that a power of sale could be exercised in relation to any assets or shares of the Sale Subsidiaries pursuant to section 212 of the IHTA.

## 13. **Demergers and exempt distributions**

No Sale Subsidiary has ever been involved in a demerger and/or an exempt distribution as provided for in sections 1073 to 1099 (inclusive) of the CTA 2010 (*Demergers*).

## SCHEDULE 4

### TAX COVENANT

#### 1. Definitions & Interpretation

- 1.1 Words and expressions defined in clause 1 of the main body of this agreement shall (unless specifically defined in this Schedule) have the same meanings when used in this Schedule, and all provisions of this agreement concerning matters of construction or interpretation shall, for the avoidance of doubt, apply to this Schedule.
- 1.2 Unless the context otherwise requires, references in this Schedule to paragraphs are to paragraphs of this Schedule.
- 1.3 In this Schedule, unless the context otherwise requires, references to:
- (a) "Sale Subsidiary" includes each subsidiary undertaking thereof;
  - (b) "repayment of Taxation" (or any similar term) includes any repayment supplement or interest in respect of it;
  - (c) any law (including any subordinate legislation or regulation) of the United Kingdom relating to Taxation shall be read and construed as also meaning any law of any other jurisdiction that has an equivalent purpose or that most nearly approximates to the United Kingdom law; and
  - (d) any reference to a Tax term which has specific meaning in England and Wales or in the United Kingdom or to any Tax in the United Kingdom shall be deemed, in respect of any other relevant jurisdiction, to include a reference to any equivalent term or Tax in that jurisdiction.
- 1.4 In this agreement, unless the context otherwise requires, references to "stamp duty land tax" or "SDLT" include a reference to land and buildings transactions tax, land transaction tax and any similar tax in the UK (and any term used in the context of stamp duty land tax shall be construed accordingly).
- 1.5 Any stamp duty charged on any document (or in the case of a document that is outside the UK, any stamp duty that would be charged on the document if it were brought into the UK) that is necessary to establish the title of the Sale Subsidiary to any asset, and any interest, fine or penalty relating to the stamp duty, shall be deemed to be a liability of a Sale Subsidiary to make an actual payment of Tax because of an Event arising on the last day on which it would have been necessary to pay the stamp duty to avoid any liability to interest or penalties arising on it.
- 1.6 All payments made by the Seller to the Buyer in accordance with this Tax Covenant will be treated, to the extent possible, as an adjustment to the Consideration.

1.7 Reference to any Event shall include the combined result of two or more Events, which shall include the combined result of Events all occurring on or before Completion and the combined result of Events where more than one Event occurs on or before Completion.

1.8 In this Schedule, the following words and expressions shall have the following meanings:

**"Accounts Relief"** means any Relief to the extent that Relief has been shown as an asset in the Accounts of the relevant Sale Subsidiary;

**"Actual Tax Liability"** means any liability to make an actual payment of or increased payment of Tax or on account of or in respect of Tax (whether or not such liability is a primary liability of a Sale Subsidiary and whether or not the person so liable has or may have a right of indemnity or reimbursement against another person), whether or not such liability has been discharged before Completion and the amount of such Actual Tax Liability is set out in paragraph 1.9 under this Schedule;

**"Buyer's Group"** means the Buyer and any other company or companies that are, from time to time, treated as members of the same group as, or otherwise connected or associated in any way with, the Buyer for any Tax purpose including, for the avoidance of doubt, the Sale Subsidiaries after Completion.

**"Buyer's Relief"** means:

- (a) any Accounts Relief;
- (b) any Relief arising to a Sale Subsidiary in respect of any period (or part of any period) or Event occurring or deemed to occur after Completion;
- (c) any Relief arising to any member of the Buyer's Group (other than a Sale Subsidiary) whenever such Relief arises;

**"Deemed Tax Liability"** means:

- (a) the Loss of any Accounts Relief which is the right to repayment of Tax;
- (b) the Loss of any Accounts Relief, other than a right to repayment of Tax; and
- (c) the use, setting off or deduction of any Buyer's Relief against Tax, Income, Profit or Gains where the use, setting off or deduction of that Buyer's Relief has the effect of reducing or eliminating an Actual Tax Liability of a Sale Subsidiary which would, but for such use, setting off or deduction, have given rise to a claim by the Buyer against the Seller under this Schedule, and in each case, the amount of the Deemed Tax Liability is set out in paragraph 1.9 under this Schedule;

**"Event"** includes every event, act, transaction (including in connection with the signing or completion of this Agreement) or the liquidation of the Company and every occurrence, circumstance, dealing, arrangement, default or omission of any kind whatsoever done or

omitted to be done and the earning, receipt or accrual for any Tax purpose of any Income, Profits or Gains;

**"Group Relief"** means:

- (a) relief capable of being surrendered or claimed under Part 5 or Part 5A of CTA 2010;
- (b) any tax refund which may be surrendered under section 963 of CTA 2010;
- (c) the notional transfer of an asset or reallocation of a gain or loss under sections 171A or 179A of TCGA 1992 and the notional reallocation of a gain under section 792 of the CTA 2009; and
- (d) any other Relief available between members of a group for Tax purposes;

**"Loss"** includes absence, failure to obtain, non-existence, non-availability, reduction, modification, loss, counteraction, nullification, utilisation, disallowance, withdrawal or clawback for whatever reason, and "loss" and "lost" shall be construed accordingly;

**"Relief"** includes any loss, relief, allowance, credit, exemption or set off for Tax or any deduction in computing Income, Profits or Gains for the purposes of Tax and any right to a repayment of Tax;

**"Tax"** includes without limitation (i) taxes on gross or net Income, Profits and Gains; and (ii) all other taxes, and levies, duties, imposts, charges and withholdings in the nature of tax, including any excise, property, value added, sales, use, occupation, transfer, franchise and payroll taxes and any social security or social fund contributions, together with all penalties and interest relating to any of the foregoing or to any late or incorrect return in respect of any of them and regardless of whether such taxes, levies, charges, withholdings, penalties and interest are chargeable directly or primarily against or attributable directly or primarily to the relevant person or any other person and of whether any amount of them is recoverable from any other person;

**"Tax Authority"** means any taxing or other authority, body or official competent to administer, impose, assess or collect any Taxation in the UK or elsewhere.

**"Tax Covenant"** means the covenant at paragraph 2.1 of Schedule 4;

**"Tax Demand"** means any assessment, notice, demand, letter or other communication or document issued or action taken by or on behalf of any Tax Authority from which it appears that a Tax Liability is to be or may be imposed on a Sale Subsidiary (whether or not the same may be the primary liability of a Sale Subsidiary) for which the Seller is or may be liable under this Schedule; and

**"Tax Liability"** means any Actual Tax Liability and any Deemed Tax Liability; and

**"Tax Statute"** means any directive, statute, enactment, law or regulation wherever enacted or issued, coming into force or entered into providing for or imposing any Tax and shall include orders, regulations, instruments, bye-laws or other subordinate legislation made under the relevant statute or statutory provision and any directive, statute, enactment, law, order, regulation or provision which amends, extends, consolidates or replaces the same or which has been amended, extended, consolidated or replaced by the same;

1.9 The amount that is to be treated for the purposes of this Schedule as a Tax Liability of a Sale Subsidiary shall be determined as follows:

- (a) in the case of an Actual Tax Liability, the amount of the payment or increased payment in respect of Tax;
- (b) in a case which falls within paragraph (a) of the definition of Deemed Tax Liability, the amount of the repayment;
- (c) in a case which falls within paragraph (b) of the definition of Deemed Tax Liability, the amount of Tax on the basis of the rates of Tax current at Completion, which would have been saved but for such loss; or
- (d) in a case which falls within paragraph (c) of the definition of Deemed Tax Liability, the amount to be treated as a Tax Liability of a Sale Subsidiary shall be the amount of Tax, on the basis of the rates of Tax current at Completion, which the Seller would have been liable but for the set off, use or deduction of the Buyer's Relief.

1.10 References in this Schedule to:

- (a) Income, Profits or Gains as being "**earned**", "**accrued**" or "**received**" on or before a particular date or in respect of a particular period shall include Income, Profits or Gains which are deemed to have been earned, accrued or received on or before that date or in respect of that period for the purposes of any Tax;
- (b) Events occurring on or before a particular date or in respect of a particular period include Events which are for the purposes of Tax deemed to have occurred at or before that date or in respect of that period.

## 2. **Covenant**

2.1 The Seller, covenants to pay to the Buyer an amount equal to:

- (a) any Actual Tax Liability of any Sale Subsidiary arising in respect of:
  - (i) any Income, Profit or Gain actually or deemed to have been earned, accrued or received on or before Completion; or
  - (ii) any Event occurring or entered into or deemed to have occurred or to have been entered into on or before Completion;

- (b) any Tax Liability of a Sale Subsidiary arising by reason of the failure of any other person (other than a member of the Buyer's Group) that was, before solely Completion, connected or associated with the Sale Subsidiary for any Tax purpose, to pay and discharge when due any liability to taxation on its part;
- (c) a Deemed Tax Liability;
- (d) any Tax Liability of a Sale Subsidiary arising at any time in relation or by reference to: (1) any option or other right granted on or before Completion to acquire securities or the exercise, surrender, exchange or other disposal of such option or right; or (2) any employment related securities (as defined for the purposes of Part 7 of ITEPA 2003) acquired on or before Completion or acquired as a result of a right or obligation (whether or not legally binding) created on or before Completion;
- (e) any Tax Liability of a Sale Subsidiary under Part 7A of ITEPA 2003, whether arising before or after Completion, including any liability arising as a consequence of any payments or loans made to, any assets made available or transferred to, or any assets earmarked (however informally) for the benefit of any officer or employee or former officer or employee of any Sale Subsidiary, or for the benefit of any relevant person, by an employee benefit trust (EBT) or another third party where the arrangement giving rise to the charge was entered into at a time when the third party was acting on the instructions of, or for the benefit of, the Seller or an associate of the Seller;
- (f) any liability of a Sale Subsidiary to make a payment, or to make a repayment of the whole or any part of any payment, to any person (other than a member of the Buyer's Tax Group) in respect of Group Relief under any arrangement or agreement entered into by a Sale Subsidiary on or before Completion save if and to the extent that the payment or repayment is reflected in the Accounts;
- (g) loss, in whole or in part, of the right of a Sale Subsidiary to receive any payment for Group Relief under any arrangement or agreement entered into on or before Completion where the payment was taken into account in the Accounts; and;
- (h) any costs and expenses reasonably and properly incurred and payable by the Buyer or any Sale Subsidiary in connection with any Tax Liability under this Tax Covenant or in connection with any action taken to defend or settle any action under this Schedule.

2.2 Any payments made under this agreement shall, so far as permitted by law, be treated as an adjustment to the Consideration paid by the Buyer for the Sale Shares under the terms of this agreement.

### 3. **Limitations**

3.1 The Seller shall not be liable to make any payment under paragraph 2.1, or for breach of the Tax Warranties, to the extent that:



- (a) specific provision or reserve (other than a provision for deferred tax) was made in the Accounts in respect of such liability, or to the extent that such liability was taken into account as an item in the preparation of the Accounts;
- (b) the liability was paid or discharged on or before Completion and the Accounts reflected that payment or discharge;
- (c) the liability arises or is increased as a result of any increase in the rates of Tax or a change in legislation, applicable law or the published guidance of any Tax Authority (other than any change specifically introduced to target Tax avoidance or Tax evasion) announced and coming into force after Completion;
- (d) the liability arises or is increased as a result of any change after Completion in any accounting policies or practice used in preparing any Sale Subsidiary's accounts (including a change in the length of any accounting period of the relevant Sale Subsidiary) other than a change which is necessary to comply with the law or generally accepted accounting practice applicable to the relevant accounting periods of the relevant Sale Subsidiary where the accounting practice before Completion did not comply with such law or policies;
- (e) such liability arises or is increased as a result of a failure or omission by or on behalf of any Sale Subsidiary after Completion to make any election, claim, surrender or disclaimer, or give any notice or consent to do any other thing, in relation to Tax, the anticipated making, giving or doing of which was taken into account in computing any provision or reserve for Tax in preparing the Accounts and provided that the need to make such election, claim, surrender or disclaimer or to give any notice or consent has been notified to the Buyer in writing within a reasonable time of the need to make such election, claim, surrender or disclaimer, or give any notice or consent;
- (f) such liability would not have arisen but for a voluntary transaction or act entered into or carried out (as appropriate) by or on behalf of the Buyer or a Sale Subsidiary after Completion, other than a transaction or act which:
  - (i) was entered into or carried out under a legally binding obligation of a Sale Subsidiary entered into or created on or before Completion (including any obligation pursuant to this Agreement);
  - (ii) is required by law or pursuant to any published guidance;
  - (iii) was entered into or carried out at the prior written request of the Seller; or
  - (iv) was entered into or carried out in the ordinary course of business of a Sale Subsidiary as carried on at Completion;
- (g) a Relief other than a Buyer's Relief is made available to the Sale Subsidiary at no cost to the Sale Subsidiary to reduce or eliminate the liability and the Buyer is made

aware of the availability of the Relief by the Seller in such time and manner as enables the Relief to be used;

- (h) the liability has been made good without any cost to any member of the Buyer's Group or any of the Sale Subsidiaries; or
- (i) the Buyer has made a claim under another provision of this agreement or for breach of this agreement in respect of the same matter which gave rise to such liability under this Schedule and such liability has been satisfied in full.

#### 4. **Over-Provisions and Reliefs**

4.1 If, not later than the seventh anniversary of Completion, the auditors for the time being of a Sale Subsidiary certify (following a request from the Seller to the Buyer, and at the expense of the Seller) that a Tax Liability which has resulted in a payment being made from the Seller under the Tax Covenant has given rise to a Relief which is not a Buyer's Relief and which would not otherwise have arisen (a "**Corresponding Relief**") then, as and when:

- (a) the liability of any Sale Subsidiary to make an actual payment of Tax (other than Tax in respect of which the Buyer would otherwise be entitled to make a claim against the Seller under this Schedule) has (after taking into account the effect of all other Reliefs that are or become available) been reduced or eliminated as a result of the use of the Corresponding Relief; or
- (b) a Sale Subsidiary has received a repayment of Tax which (taking into account the effect of all other Reliefs that are or become available) it would not have received but for the use of the Corresponding Relief;

then:

- (c) in a case within paragraph (a) above, the amount by which the Tax liability in question has been so reduced; and
- (d) in a case within paragraph (b) above, the amount of such repayment of Tax (including any related interest or repayment supplement) less any Tax chargeable in respect of the repayment or any related interest or repayment supplement and less any reasonable costs and expenses of recovery,

shall be dealt with in accordance with paragraph 4.2.

4.2 Where, in accordance with paragraph 4.1 an amount (the "**Relevant Amount**") falls to be dealt with in accordance with this paragraph or where the auditors for the time being of a Sale Subsidiary certify (following a request from Seller to the Buyer, and at the expense of the Seller), on or before the seventh anniversary of Completion, that there is an Overprovision:

- (a) the Relevant Amount or Overprovision (as the case may be) shall first be set off against any payment then due from the Seller under this Schedule or for breach of the Tax Warranties;
  - (b) to the extent there is an excess, a refund shall be made to the Seller of any previous payments made by the Seller under this Schedule or for breach of the Tax Warranties and not previously refunded under this paragraph (b), up to the amount of such excess; and
  - (c) to the extent there remains an excess, the amount of that excess shall be carried forward and set off against any future payment which becomes due from the Seller under this Schedule or for breach of the Tax Warranties.
- 4.3 Where any such certification as is mentioned in paragraphs 4.1 or 4.2 has been made, the Seller or the Buyer may, not later than the seventh anniversary of Completion, request that the auditors (at the requester's cost and expense) for the time being of a Sale Subsidiary review the certification in light of all relevant circumstances (including any facts which have become known only since such certification) and certify whether the original certification remains correct or should be amended.
- 4.4 If, in accordance with paragraph 4.3, the auditors of a Sale Subsidiary certify that an amount previously certified should be amended, the amended amount shall be substituted as the Relevant Amount or Overprovision (as the case may be) for the purposes of paragraph 4.2 and such adjusting payments made between the parties as shall ensure that they are left in the same position as they would have been in had the amended amount been treated as the Relevant Amount or Overprovision for the purposes of paragraph 4.2.
- 4.5 Notwithstanding any other provision of this agreement, the Seller shall not be entitled to take the benefit, more than once, of any Relief to which the Seller is entitled under this Schedule, whether in reducing any amount due from the Seller to the Buyer under this Schedule or the other provisions of this agreement, in giving rise to or increasing the amount of any payment or repayment by the Buyer to the Seller under this Schedule or the other provisions of this agreement, or otherwise.
5. **Buyer Covenant**
- 5.1 The Buyer shall pay to the Seller an amount equal to any Tax liability of the Seller relating to a Sale Subsidiary or a member of the Buyer's Group failing after Completion to pay any Tax to which it is primarily liable and for which the Buyer would not have been entitled to make a claim against the Seller under any provision of this Agreement.
- 5.2 Paragraph 5.1 shall not apply to Tax to the extent that it has been recovered under any relevant statutory provision, and the Seller shall procure that no such recovery is sought to the extent that payment is made pursuant to paragraph 5.1.
- 5.3 The limitations in Schedule 5 (*Limitations*) and paragraph 3.1 above shall apply to paragraph 5.1 as they apply to paragraph 2.1 *mutatis mutandis*, replacing where

appropriate references to Seller with Buyer, references to Buyer with Seller, and references to Tax Claim with a claim under paragraph 5.1, and making any other necessary modification.

- 5.4 Any payment made by the Buyer under paragraph 5.1 shall be made fifteen days before the last day on which the relevant payment of Tax is due to be made to the relevant Tax Authority without incurring any liability to interest or penalties thereon.
- 5.5 The Buyer shall pay to the Seller an amount equal to all costs and expenses reasonably and properly incurred by the Seller in connection with any Tax liability as described in paragraph 5.1.

**6. Tax Demand procedure**

- 6.1 If the Buyer or any Sale Subsidiary becomes aware of a Tax Demand, the Buyer shall give or procure that written notice thereof is given to the Seller as soon as reasonably practicable provided that giving that notice shall not be a condition precedent to the Seller's liability under the Tax Covenant.
- 6.2 The Buyer shall take and shall procure that the relevant Sale Subsidiary takes such action as the Seller may, by written notice given to the Buyer, reasonably request to avoid, dispute, resist, appeal against, compromise or defend, any Tax Demand or any determination in respect thereof, or to apply to postpone (so far as legally possible) the payment of any Taxation pending the determination of any appeal, provided that the Buyer shall not be obliged to take or procure that any Sale Subsidiary takes that action unless the Seller have first indemnified and secured the Buyer and the relevant Sale Subsidiary to the reasonable satisfaction of the Buyer against all liabilities, damages, costs and expenses (including any Tax liability) which may be incurred by the Buyer or any Sale Subsidiary in connection therewith.
- 6.3 The Buyer shall not be obliged to take (or procure that any Sale Subsidiary takes) any action under paragraph 6.2 if:
- (a) the Buyer has not received written notice in accordance with paragraph 6.2 within ten (10) Business Days of the Seller's receipt of the notification under paragraph 6.1 (or, in any case where a time limit for the taking of any action, including responding to the Tax Authority or making an appeal against or contesting any Tax Demand, applies, any shorter period required in order to comply with the time limit applicable thereto);
  - (b) complying with any request or notification of the Seller under this paragraph 6 is likely, in the opinion of the Buyer, to have a materially adverse effect on:
    - (i) recovery under any insurance policy taken out by the Buyer or any Sale Subsidiary in respect of any tax liabilities thereof;
    - (ii) the Tax affairs of such Sale Subsidiary;

- (iii) the reputation, commercial standing or goodwill of the Buyer or any Sale Subsidiary; or
  - (iv) any commercial or business relationship of such Sale Subsidiary;
- (c) complying with any request or notification would involve sending, transmitting, issuing or submitting any written correspondence or entering into any other communication relating to the Tax Demand which, in the Buyer's reasonable opinion, is not true and accurate or where the Buyer has reasonable grounds to believe that the Seller or the Sale Subsidiaries (prior to Completion) have been engaged in fraudulent or grossly negligent conduct or omission or deliberate default relating to the Tax Liability that is the subject matter of the Tax Demand; or
- (d) complying with any request or notification of the Seller would involve any proceedings before any court or any other appellate body (including any tribunal) unless it has been advised in writing, at the expense of the Seller, by tax counsel of at least 7 years' standing after disclosure of all relevant information and documents and having regard to all circumstances and information available that such proceedings are more likely to succeed than not.

6.4 If the Seller fails, within ten (10) Business Days of being given notice under paragraph 6.1, to request that the Buyer or the relevant Sale Subsidiary take any action in respect of the Tax Demand concerned and provide a satisfactory indemnity in terms of paragraph 6.2, then the Buyer shall, without prejudice to its rights against the Seller under this Schedule, be free to take, or procure that the relevant Sale Subsidiary takes, such action and reach a settlement or compromise as the Buyer in its absolute discretion thinks fit.

6.5 The Buyer's conduct of any Tax Demand and the provisions of this paragraph 6 shall be subject to the rights of the W&I insurer under the W&I Policy.

## 7. **Recovery from third parties**

7.1 Where the Seller has paid an amount under the Tax Covenant or for breach of the Tax Warranties and the Buyer or a Sale Subsidiary:

- (a) is or becomes entitled to receive a payment or obtain a credit or set-off from any person (other than the Buyer, a Sale Subsidiary or a member of the Buyer's Group or any current or former employee or officer thereof) in respect of the payment received from the Seller or the liability giving rise to such payment; or
- (b) has (whether by operation of law, contract or otherwise) a right of reimbursement against any person (other than the Buyer, a Sale Subsidiary or a member of the Buyer's Group or any current or former employee or officer thereof) in respect of the payment received from the Seller or the liability giving rise to such payment,

the Buyer shall, or shall procure that a Sale Subsidiary shall, notify the Seller in writing as soon as possible.

- 7.2 Following notification under paragraph 7.1, if requested by the Seller, the Buyer shall take, or procure that the relevant Sale Subsidiary shall take, all reasonable steps to enforce the right to reimbursement or obtain a repayment of Tax or set-off or credit and shall keep the Seller reasonably informed of any progress, provided that:
- (a) the Buyer is not required to take action which in its opinion, is likely to have a materially adverse effect on the tax affairs of a Sale Subsidiary or the Buyer or on any commercial relationship of a Sale Subsidiary or the Buyer; and
  - (b) the Seller first indemnifies and secures the Buyer and the relevant Sale Subsidiary against all costs and expenses incurred in obtaining that amount together with any additional Tax Liability which may be incurred by either of them as a result of any action being taken pursuant to this paragraph 6.5.
- 7.3 If the Buyer or a Sale Subsidiary receives any repayment or recovers from a third party any amount referred to in paragraph 7.1, then to the extent that the amount is not taken into account in compiling the Accounts, the Buyer shall pay to the Seller an amount equal to the lesser of:
- (a) any amount recovered (including any related interest or related repayment supplement) less any Tax suffered in respect of that amount and any reasonable costs and expenses properly incurred in recovering that amount (save to the extent any amount has already been made good by the Seller under paragraph 7.2); and
  - (b) the amount paid by the Seller under the Tax Covenant and for breach of the Tax Warranties.
- 7.4 Any amount recovered in accordance with paragraph 7.2 and not paid to the Seller under paragraph 7.3 shall be carried forward and set off against any future payment due from the Seller under this Schedule or for breach of the Tax Warranties.
- 7.5 The provisions of paragraph 8 of this Schedule shall apply to any amount liable to be paid under this paragraph as they apply to the Tax Covenant, replacing references to the Seller with the Buyer (and vice versa) where appropriate, and making any other necessary modification.
- 8. Due Date for payment**
- 8.1 Where the Seller becomes liable to make any payment pursuant to the Tax Covenant or for breach of the Tax Warranties, the due date for the making of that payment (the "**Payable Date**") shall be five (5) Business Days following the date of written demand by the Buyer or (if later):
- (a) in a case that involves an Actual Tax Liability, five (5) Business Days prior to the date that is the last date on which the Tax would have to be paid to the appropriate Tax Authority without a liability (or further liability) to interest, a charges or penalties arising;

- (b) in the case of a liability falling within paragraph (a) and (b) of the definition of Deemed Tax Liability, five (5) Business Days prior to the date on which the relevant Sale Subsidiary is due to pay any Tax which it would not have had to pay but for the loss of any Accounts Relief; or
- (c) in the case of a liability falling within paragraph (c) of the definition of Deemed Tax Liability, the date on which the Tax would have been due and payable without a liability to interest or penalties accruing but for the set off or deduction of the relevant Buyer's Relief.

**9. Tax affairs**

- 9.1 Subject to paragraph 6, the Buyer or its duly authorised agents shall have sole conduct of all Tax affairs of any Sale Subsidiary and shall be entitled to deal with such Tax affairs as it wishes in its absolute discretion.
- 9.2 In respect of any periods ending prior to Completion, or commencing prior to Completion and ending after Completion, the Seller or their duly authorised agents shall provide such information and assistance as the Buyer or its duly authorised agents shall reasonably request in connection with the preparation and submission of the Tax returns and any related Tax filings of the Target Group (including providing such access to their books, accounts and records as is reasonably necessary to enable the Buyer or its duly authorised agents to satisfy their obligations under this paragraph 9.2).
- 9.3 The Buyer's conduct of the Tax affairs of any Sale Subsidiary and the provisions of this paragraph 9 shall be subject to the rights of the W&I insurer under the W&I Policy.

## SCHEDULE 5

### SELLER WARRANTY LIMITATIONS

#### 1. Time limits

- 1.1 The Seller shall not be liable for any Claim unless the Buyer gives written notice of the Claim to the Seller (containing details of the general nature of the Claim) prior to 30 September 2026.
- 1.2 The Seller shall not be liable for any Tax Claim unless the Buyer gives written notice of the Tax Claim to the Seller (containing details of the general nature of the Tax Claim) prior to the expiry of seven years following the Completion Date.
- 1.3 The Seller will not plead the Limitation Act 1980 in relation to any Tax Claim.

#### 2. Withdrawal

Any Claim or Tax Claim shall (if it has not been previously satisfied, settled or withdrawn) be deemed to be withdrawn and shall be extinguished if legal proceedings in respect of it have not been commenced by both being issued and served within 3 months after notice has been given by the Buyer in accordance with paragraph 1 of this Schedule, except where the Claim or Tax Claim relates to a contingent liability, in which case it shall be deemed to be withdrawn and shall be extinguished if legal proceedings in respect of it have not been commenced by being both issued and served within 6 months of it having become an actual liability.

#### 3. Financial limits

- 3.1 The Seller shall not be directly liable for any Claims or Tax Claims in excess of £1.00 (the “**Claims Amount**”).
- 3.2 The Buyer may claim under the W&I Policy (and any reference to the liability of the Seller in respect of any Claim or Tax Claim in the remainder of this Schedule 5 shall be construed as limited to the ability of the Buyer to claim under the W&I Policy) to the extent that:
  - (a) the amount of the liability pursuant to that single Claim or Tax Claim exceeds £15,000, and, for these purposes, individual Claims or Tax Claims arising from the same, substantially the same or similar or related facts or circumstances shall be aggregated to form one and the same Claim or Tax Claim.
  - (b) the aggregate amount of the liability of the Seller for all such Claims or Tax Claims not excluded by paragraph 3.1 of this Schedule exceeds £150,000, in which case the Buyer shall be entitled to claim under the W&I Policy for the full amount of all such Claims or Tax Claims and not merely the excess over £150,000.



3.3 The aggregate amount of the liability of the Seller for all Claims and Tax Claims shall not exceed £1.00.

3.4 The Buyer agrees and accepts that its only recourse (if any) in respect of any and all such claims in excess of the Claims Amount shall be under the W&I Policy.

#### 4. **Acts or omissions of the Buyer**

The Seller shall not be liable for any Claim (or such liability will be reduced) to the extent that such Claim arises as a result of any voluntary act, omission or transaction carried out:

- (a) after the date of this agreement by the Buyer or any member of the Buyer's Group;  
or
- (b) before Completion by any member of the Seller's Group or any Sale Subsidiary at the written direction or request of the Buyer or any member of the Buyer's Group,

of which, in any such case, the Buyer was actually aware or ought reasonably to have been so aware (in each case otherwise than through the knowledge of the Seller or any present officer or employee of any Sale Subsidiary) that such act, omission or transaction would give rise to the Claim in question.

#### 5. **General limitations**

The Seller shall have no liability (or such liability will be reduced) (whether in contract or otherwise) in respect of any Claim:

- (a) to the extent that such Claim arises, or is increased, as a result of:
  - (i) any increase in rates of Taxation or any change in the law or published practice of a Tax Authority made after the date of this agreement with retrospective effect;
  - (ii) any legislation not in force on or prior to the date of this agreement;
  - (iii) any change of law, regulation, directive, requirement or administration practice which takes effect retroactively;
  - (iv) any change in generally accepted accounting principles after the date of this agreement; or
  - (v) any change in the accounting principles or practice of the Buyer introduced or having effect after the date of this agreement;
- (b) to the extent that such Claim is based on a liability which is contingent only, unless and until such contingent liability becomes an actual liability;

- (c) to the extent that such Claim is remedied within 30 days following receipt of a notification pursuant to paragraph 1 of this Schedule (*Time limits*) to the reasonable satisfaction of the Buyer;
- (d) to the extent an allowance, provision or reserve in respect of the matter giving rise to such Claim shall have been made in the Accounts or the Management Accounts;  
or
- (e) to the extent that any loss or damage forming the basis of such Claim is recovered by the Buyer under any insurance policy.

## 6. **Duty to mitigate**

Nothing in this Schedule shall restrict or limit the general obligation at law of the Buyer to mitigate any Loss which it may suffer in consequence of any breach by the Seller of any of the Seller Warranties.

## 7. **Conduct of Claims**

7.1 If the Buyer becomes aware of any Claim by a third party which might reasonably be expected to result in a Claim being made (a "**Third Party Claim**"), the Buyer shall, subject to paragraph 7.3 of this Schedule:

- (a) within 20 Business Days of becoming aware of it, give written notice of such Third Party Claim to the Seller containing such details of the Third Party Claim as the Buyer has available to it, but so that any failure by the Buyer to give such notice within such period shall not prejudice the right of the Buyer to make a Claim in relation to such Third Party Claim;
- (b) not make (and procure that no Sale Subsidiary shall make) any admission of liability, agreement or compromise to or with any person in relation to that Third Party Claim without the prior written consent of the Seller (such consent not to be unreasonably withheld or delayed); and
- (c) subject to the Buyer or relevant Sale Subsidiary being fully indemnified to its reasonable satisfaction by the Seller against all Losses incurred in respect of that Third Party Claim, take (and procure that each Sale Subsidiary shall take) such action as the Seller may reasonably request to avoid, resist, dispute, appeal, compromise or defend such Third Party Claim.

7.2 If the Seller fails to indemnify the Buyer or relevant Sale Subsidiary in accordance with paragraph 7.1(c) of this Schedule in respect of a Third Party Claim within 15 Business Days after the Seller has received notice of such Third Party Claim, the Buyer shall cease to have any obligations under this paragraph 7 in respect of that Third Party Claim.

7.3 Nothing in this paragraph 7 shall oblige the Buyer to take, or to procure that any other Sale Subsidiary shall take, any action or do anything which, in the reasonable opinion of the

Buyer, is likely to have an adverse impact on the reputation or goodwill of any Sale Subsidiary.

**8. Recovery From Third Parties**

If the Seller makes any payment to the Buyer in relation to a Claim (a "**Damages Payment**") and the Buyer or a Sale Subsidiary receives any sum or benefit otherwise than from the Seller or a member of the Seller's Group (whether by payment, discount, credit, relief or otherwise, and including from any Tax Authority) which would not have been received but for the circumstances giving rise to that Claim, the Buyer shall, or shall procure that the relevant Sale Subsidiary shall (once the relevant Sale Subsidiary has received such sum or benefit), immediately repay to the Seller an amount equal to such sum or benefit (net of taxation on that amount and reasonable costs of recovery) or, if less, the Damages Payment.

**9. No double recovery**

The Buyer shall not be entitled to recover damages or obtain payment, reimbursement, restitution or indemnity more than once in respect of any one liability, loss or breach or other set of circumstances which give rise to more than one Claim or Tax Claim.

**10. W&I Policy**

10.1 The Buyer shall determine whether it takes out a W&I Policy in respect of this Agreement. If the Buyer takes out such W&I Policy, the provisions of this Agreement relating to the W&I Policy shall apply. The Seller's shall have no greater liability than is set out in this Agreement whether or not the W&I Policy is taken out.

10.2 The Buyer shall ensure that the W&I Policy includes an express waiver, in a form satisfactory to the Seller, of any rights of subrogation against the Seller (the "Subrogation Waiver") (except in the case of fraud on the part of the Seller, in which case such waiver shall cease to apply) and shall deliver evidence of the Subrogation Waiver to the Seller.

10.3 The Buyer undertakes:

- (a) not to agree any amendments, waivers or variations (or do anything with similar effect) to the Subrogation Waiver;
- (b) not to take any action which would affect its own rights under the W&I Policy;
- (c) not to novate or otherwise assign its rights with respect to the Subrogation Waiver (or do anything with similar effect) or do anything which would cause the Subrogation Waiver not to have full force and effect under its terms; and
- (d) without limitation to any right of the Seller separately to enforce such terms, to use all reasonable endeavours to enforce any term in the W&I Policy under which the W&I insurer waives its rights to take subrogated action against the Seller, any

member or the Seller's Group or their respective directors, officers, or employees upon the terms set out in the W&I Policy.

- 10.4 The Buyer acknowledges and agrees that the cap on the Seller's liability set out in paragraph 3, above, shall apply notwithstanding any subsequent non-payment under the W&I Policy premium, any defect of the W&I Policy, the vitiation, expiry or termination of the W&I Policy, any insolvency of the W&I insurer or any underwriter of the W&I Policy or any failure of the Buyer to complete the purchase of (or otherwise incept) the W&I Policy.
- 10.5 The Buyer acknowledges and agrees that it shall bear, and the Seller shall not be liable to the Buyer for any amount representing, any excess or retention under the W&I Policy.

## SCHEDULE 6

### BUYER WARRANTIES

#### Part 1

##### Buyer General Warranties

#### 1. The Buyer

- 1.1 The Buyer is duly incorporated, in existence and duly registered and in good standing under the laws of England and Wales.
- 1.2 The Buyer has the requisite power and authority to enter into and perform this agreement and each of the other Transaction Documents to be entered into by it pursuant to this agreement.
- 1.3 This agreement and each of the other Transaction Documents to be entered into by it pursuant to this agreement will, when executed, constitute valid and binding obligations on the Buyer in accordance with their respective terms.
- 1.4 The execution and delivery of, and the performance by the Buyer of its obligations under this agreement and each of the other Transaction Documents, do not and will not:
  - (a) result in a breach of any provision of its memorandum, articles of association, by-laws, any similar constitutional document, order or judgment that applies to or binds it or any of its assets;
  - (b) result in a breach of any Applicable Laws by which it is bound; or
  - (c) cause the Buyer to lose the benefit of any right or privilege it presently enjoys.
- 1.5 All Permits and filings with any Governmental Entity and all agreements of any other person which are necessary for the Buyer to obtain in order to enter into and perform its obligations under this agreement and each of the other Transaction Documents to which it is a party in accordance with their respective terms have been unconditionally obtained in writing.
- 1.6 There are no:
  - (a) judgments, orders, injunctions or decrees of any Governmental Entity or court or arbitration tribunal outstanding against or affecting the Buyer;
  - (b) law suits, actions or proceedings pending or, to the knowledge of the Buyer, threatened against or affecting the Buyer; or
  - (c) investigations by any Governmental Entity which are pending or threatened against the Buyer,

which, in any such case, will have an adverse effect on the ability of the Buyer to execute and deliver, or perform its obligations under, this agreement or any of the other Transaction Documents.

1.7 The Buyer is not a party to any agreement or bound by any obligation the terms of which will prevent the Seller from enjoying the full benefit of this agreement.

## 2. **The Buyer Circular and the Admission Document**

2.1 The information contained in the Buyer Circular is in accordance with the facts and does not omit anything likely to affect the import of such information and all statements of fact contained in the Buyer Circular are true and accurate and are not misleading and the

2.2 Buyer Circular contains all information to allow a shareholder of the Buyer to make an informed decision when voting on the resolutions set out in the Buyer Circular.

2.3 All statements, forecasts, estimates and expressions of opinion, intention or expectation contained in the Admission document and relating to the Buyer are fairly and honestly given, expressed or held and have been the subject of due care and attention and are fairly based upon facts within the knowledge of the Buyer or its directors and are made on reasonable grounds after due and proper consideration of all the information currently available to the Buyer and its directors.

2.4 There are no facts or considerations known or which could on reasonable and proper enquiry have been known to the Buyer or any of its directors which are not disclosed in the Buyer Circular and/or the Admission Document and which by their omission would or might reasonably be considered to:

- (a) be likely to affect the import of the information contained therein; or
- (b) make any statement therein (whether of fact or opinion) inaccurate or misleading; or
- (c) invalidate or qualify any assumption made in support of any statement therein (whether of fact or opinion); or
- (d) be material for disclosure to a potential subscriber or purchaser of any new shares to be issued in connection with Admission.

2.5 The Admission Document contains all such information in relation to the Buyer as, having regard to the matters referred to in paragraph (k) of Schedule Two to the AIM Rules for Companies, is necessary to enable investors to form a full understanding and make an informed assessment of:

- (a) the assets and liabilities, financial position, profits and losses and prospects of the Enlarged Group; and

- (b) any other matter contained in the Admission Document relating to the Buyer and the Transaction Documents.

### **3. The Consideration Shares**

- 3.1 The Consideration Shares will be issued credited as fully paid and free from liens or Encumbrances.
- 3.2 The Buyer has, or will have, following the passing of the resolutions set out in the Buyer Circular:
  - (a) full power and authority to issue the Consideration Shares; and
  - (b) complied with all of the provision of the Companies Act in respect of the issue of the Consideration Shares.
- 3.3 No agreement or arrangement (other than this agreement) exists pursuant to which any person has or may in the future have the right (exercisable now or in the future and whether contingent or not) to call for the issue, allotment, conversion or transfer of any share or loan capital in the Buyer (including by way of option or under any right of conversion or pre-emption).
- 3.4 The Consideration Shares represent no less than 25.51% of the entire issued share capital of the Buyer at Admission.

### **4. Solvency**

- 4.1 No order has been made and no resolution has been passed for the winding up of the Buyer or for a provisional liquidator or manager to be appointed in respect of the Buyer and no petition has been presented and no meeting has been convened for the purpose of considering the winding up of the Buyer.
- 4.2 No administration order has been made and no petition for such an order has been presented in respect of the Buyer.
- 4.3 No receiver, administrator or manager (which expression shall include an administrative receiver) has been appointed in respect of all or any of the assets of the Buyer, nor has any power of sale or power to appoint a receiver or manager under the terms of any mortgage, charge or other security in respect of all or any assets of the Buyer become exercisable.
- 4.4 The Buyer has not, nor has it admitted itself to be, unable to pay its debts as they fall due, nor has it failed to pay its debts when due, nor is it otherwise liable to be found unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986.
- 4.5 No statutory demand has been served on the Buyer which has not been paid in full or been withdrawn.

- 4.6 In the two years before the date of this agreement, the Buyer has not been a party to any transaction at an undervalue as defined in section 238 of the Insolvency Act 1986 nor given or received any preference as defined in section 239 of that Act.
- 4.7 No creditor of the Buyer has taken steps to enforce any debt or other sum owed by the Buyer.
- 4.8 No unsatisfied judgment is outstanding against the Buyer.
- 4.9 The Buyer has not suspended or ceased or threatened to suspend or cease to carry on all or a material part of its business.

## 5. **Financial Matters**

- 5.1 The Accounts:
- (a) comply with the requirements of the Companies Act;
  - (b) have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards ("**IFRS**");
  - (c) are materially accurate and show a materially accurate view of the state of affairs of the Buyer as at the Accounts Date and of its results for the accounting reference period ended on that date;
  - (d) have been prepared on bases and policies of accounting consistent with those adopted in preparing statutory accounts for the prior financial period (the "**Past Accounts**");
  - (e) fully disclose all the assets of the Buyer on the Accounts Date, including reflecting any events or matters that are discovered after the Accounts Date which, if known at the Accounts Date, would have been included in the Accounts;
  - (f) make full and proper provision for (or, if appropriate, disclose by way of note) all liabilities (whether actual, contingent, quantified or disputed) and all capital and financial commitments of the Buyer as at or on the Accounts Date, including reflecting any events or matters that are discovered after the Accounts Date which, if known at the Accounts Date, would have been included in the Accounts; and
  - (g) make full and proper provision for depreciation or write downs in accordance with IFRS, having regard to the assets included in the same.
- 5.2 The profits/losses shown in the Accounts and in the Past Accounts have not to a material extent been affected (except as disclosed in those accounts) by any extraordinary or exceptional event or circumstance or by any other factor rendering them unusually high or low, and the Past Accounts give a materially accurate view of the results and state of affairs



and financial position of the Buyer during and at the end of each of the financial years in respect of which the same were made up.

- 5.3 All proper and necessary books of account, ledgers and financial records have been fully, properly and accurately kept and completed by the Buyer and accurately present and reflect in accordance with United Kingdom generally accepted accounting principles and standards and, as required by law, the assets and liabilities (actual and contingent) of the Buyer and all transactions to which it is or has been a party.
- 5.4 None of the books of account, ledgers, registers, records, systems, controls, data or other information of the Buyer are recorded or stored, maintained, operated by or otherwise dependent on, or held by, any means (whether electronic, mechanical, computerised or otherwise) which (including all means of access to them) are not under the exclusive ownership and direct control of the Buyer.
- 5.5 Since the Accounts Date:
- (a) the business of the Buyer has been carried on in the ordinary course and so as to maintain it as a going concern and there has been no material adverse change in the financial position trading or prospects of the Buyer;
  - (b) there has been no material reduction in the aggregate value of the net assets of the Buyer as shown in the Accounts;
  - (c) the Buyer has not made or agreed to make any payment or entered into any transaction or commitment or incurred any liability except in the ordinary course of its trading and for full value;
  - (d) no dividend or distribution (whether in cash, stock or in kind) of capital or income has been declared made or paid by or in respect of any share capital or assets of the Buyer.
- 5.6 The Management Accounts have been prepared in accordance with United Kingdom generally accepted accountancy practice and principles consistently applied (and on a basis consistent with that upon which the Accounts were prepared) and adequately reflect in all material respects the assets and liabilities (whether actual or contingent) and the state of affairs and financial position of the Buyer at the dates to which they have been prepared and its results over the period from the Accounts Date to the date to which they were prepared.

## 6. **Financial Commitments And Borrowings**

6.1 The Buyer has Disclosed:

- (a) a true, complete and accurate summary of the Indebtedness of the Buyer;

- (b) true, complete and accurate details of all loan and revolving credit or overdraft or factoring or invoice discounting or other like facilities of the Buyer and copies of all material documents relating to each such facility; and
  - (c) full particulars of all the bank accounts of the Buyer.
- 6.2 There is no Indebtedness of the Buyer which is overdue for payment or discharge by more than three months, and (assuming continuance of its existing bank and other financial facilities which have been Disclosed).
- 6.3 No investment or other grant or allowance and or loan or financial aid of any kind has been applied for or received or is receivable by the Buyer from any Governmental Entity.

## 7. **Contracts**

- 7.1 All contracts that are material to the Buyer have been Disclosed or are summarised in the Admission Document.

## 8. **Assets**

- 8.1 The assets included in the Accounts or acquired by the Buyer since the Accounts Date, and all other assets used or employed by the Buyer, are the absolute property of the Buyer free from any bill of sale, retention of title arrangement or other Encumbrance and none of them are the subject of any leasing, hiring, hire purchase, assignment, factoring or other similar agreement or arrangement, nor are they the subject of any agreement or arrangement for payment on deferred terms.

## 9. **Data protection**

- 9.1 In this paragraph 12, the following definitions apply:

**"Data Protection Legislation"** means all laws relating to the processing of personal data or the protection of the privacy of individuals, in each case that are applicable to each Sale Subsidiary from time to time, including:

- (a) GDPR and all related national laws and regulations, including the Data Protection Act 2018;
- (b) the Data Protection Act 1998 and all other related national laws and regulations implementing European Directive 95/46/EC; and
- (c) the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all other related national laws and regulations implementing European Directive 2002/58/EC;

**"GDPR"** means the General Data Protection Regulation (EU) 2016/679; and

**"Sensitive Personal Data"** means personal data revealing the characteristics identified in Article 9(1) of the GDPR and personal data relating to criminal convictions and offences identified in Article 10 of the GDPR;

and the terms **"personal data"**, **"data subject"**, **"processing"**, **"controller"**, **"processor"**, **"personal data breach"** and **"supervisory authority"** have the meanings given to them in the GDPR.

9.2 In respect of any personal data processed by the Buyer, the Buyer has complied with the Data Protection Legislation including (without limitation) as follows:

- (a) the Buyer processes personal data in a manner consistent with the principles set out in Article 5 of the GDPR;
- (b) the Buyer has conducted and documented an assessment of, and implemented appropriate technical and organisational measures to ensure that, its processing activities are compliant with the requirements of the Data Protection Legislation;
- (c) the Buyer has, where required under Data Protection Legislation, appointed a data protection officer and notified such appointment to the relevant supervisory authority;
- (d) the Buyer has identified and documented the legal basis for each processing activity that it undertakes as a controller and, with respect to any processing of Sensitive Personal Data, it has identified and documented the applicable condition in Article 9(2) with respect to that processing activity;
- (e) with respect to any processing activity that the Buyer has identified as being necessary for the purposes of the legitimate interests pursued by the Buyer or by a third party, the Buyer has assessed (and documented its assessment of) whether such interests are overridden by the interests or fundamental rights and freedoms of the data subjects which require protection of personal data;
- (f) the Buyer maintains up to date records of processing as required under Data Protection Legislation;
- (g) the Buyer has, in respect of processing activities it undertakes as a controller, provided data subjects with all information regarding its processing activities required under the Data Protection Legislation, such information is provided to data subjects in the format required under the Data Protection Legislation, and the Buyer processes (and ensures that any parties to which it transfers the personal data process) personal data in a manner consistent with that information;
- (h) in respect of processing activities it undertakes as a controller, the Buyer, where required, obtained valid consent from data subjects for the processing of their personal data, including implementing measures that allow data subjects to withdraw such consent, in accordance with the Data Protection Legislation;

- (i) the Buyer has in place appropriate technical and organisational measures to comply with any data subject requests submitted to it without undue delay, and has complied fully with and responded to all such requests within the time frame stipulated in the Data Protection Legislation;
- (j) the Buyer has implemented (and procured that any parties to which it transfers the personal data have implemented) appropriate technical and organisational security measures in accordance with the Data Protection Legislation to protect against the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to personal data;
- (k) the Buyer has entered into a binding agreement with each person engaged to process personal data on its behalf that complies with the requirements of the Data Protection Legislation and each such processor has at all times complied with such agreement;
- (l) the Buyer does not (and procures that any parties to which it transfers the personal data do not) transfer personal data outside of the European Economic Area or the United Kingdom other than as permitted under the Data Protection Legislation;
- (m) the Buyer does not send unsolicited electronic marketing messages other than in accordance with the Data Protection Legislation and all other applicable codes of practice including obtaining any necessary consents;
- (n) the Buyer does not engage in any automated processing, including profiling, which produces legal effects concerning the data subject or similarly significantly affects the data subject, other than as permitted under the Data Protection Legislation; and
- (o) the buyer has, to the extent it acts as a processor, entered into a binding agreement with the relevant controller that complies with the requirements of the Data Protection Legislation; and has complied with all such agreements, including processing personal data only on documented instructions from the controller, unless required to do so by European Union or Member State law to which the Company is subject.

9.3 The Buyer has not, prior to Completion:

- (a) suffered a personal data breach;
- (b) received any enforcement notice, information notice, special information notice, monetary penalty notice or other written notice, letter or complaint alleging a breach by it of any of the provisions of the Data Protection Legislation, requesting information as to its data protection policies or practices, or prohibiting it from undertaking any processing activity, and no circumstances exist which may give rise to any of the above;

- (c) awarded compensation to any individual under the Data Protection Legislation, no claim for such compensation is outstanding and, so far as the Buyer is aware, there is no reason to believe that any circumstances exist which might lead to any claim for compensation being made; or
- (d) received any warrant issued under the Data Protection Legislation authorising the Information Commissioner or other relevant supervisory authorities to enter any premises of the Buyer.

9.4 The Buyer is not the subject of any order made against it for the rectification, blocking, erasure or destruction of any data under the Data Protection Legislation, no application for such an order is outstanding and, so far as the Seller is aware there is no reason to believe that any circumstances exist which might lead to any application for such an order being made.

## 10. **Regulatory Matters**

10.1 All Permits necessary to enable the Buyer to carry on its business and/to use its assets effectively in the places and in the manner in which such business is now carried on or in which assets are presently used have been obtained by the Buyer and the Buyer has complied with all conditions attaching to such Permits.

10.2 The Buyer has no branch outside England or any permanent establishment outside the United Kingdom.

10.3 The Buyer has complied with the provisions of the Companies Act, and all returns, particulars, resolutions and other documents required under any legislation to be delivered to the relevant registrar of companies or to any other Governmental Entity have been properly made and delivered within the requisite time limits.

## 11. **Litigation**

The Buyer, nor any person for whose acts or defaults the Buyer may be vicariously liable, is subject to any outstanding order or decree of any court or tribunal, and no such person is engaged in, or proposing to engage in, or is the subject of any litigation, arbitration, investigation, prosecution or other tribunal or legal proceedings or any claims or actions. So far as the Buyer is aware, no such litigation, arbitration, investigation, prosecution or other tribunal or legal proceedings or claims or actions are pending or threatened by or against the Buyer or any such person or in respect of which the Buyer is or could be liable to indemnify or compensate any third party, and there are no facts or other circumstances which will or could reasonably be expected to give rise to or result in any such litigation, arbitration, investigation, prosecution or other tribunal or legal proceedings or claims or actions.

## 12. **Anti-Corruption**

- 12.1 The Buyer is not, nor has it at any time, engaged in any activity, practice or conduct which would violate any Anti-Corruption Laws.
- 12.2 So far as the Buyer is aware, no Associated Person of the Buyer has authorised, offered, promised or given any financial or other advantage (directly or indirectly) to any other person intending:
- (a) to obtain or retain business for the Buyer; or
  - (b) to obtain or retain an advantage in the conduct of business for the Buyer.
- 12.3 The Buyer has in place, at all times, such policies and procedures in relation to corruption as may be required by, or reasonably necessary to ensure continued compliance with any Anti-Corruption Laws applicable to the Buyer including, where applicable, in relation to bribery, the giving and receiving of gifts and entertainment, the giving of political and charitable contributions, risk assessment of business partners and internal reporting and training.
13. **Employees**
- The Buyer has, nor has it had in the prior 3 years, any Employees.

## **Part 2**

### **Buyer Tax Warranties**

1. General
- 1.1 The Buyer's Accounts have been prepared on a basis consistent with previous accounts and under generally accepted accounting principles and they fully and accurately provide for all tax liabilities of the Buyer as at the Buyer's Accounts Date, including full provisions for contingent and/or deferred taxes at such a date.
- 1.2 Since the Buyer's Accounts Date no tax liability of the Buyer has arisen other than in the ordinary course of business of the Buyer.
- 1.3 The Buyer is not a large company for the purposes of the Corporation Tax (Instalment Payments) Regulations 1998 (SI 1998/3175) and the Buyer has correctly made payment of its corporation tax arising in the accounting period ending on the Accounts Date under section 59D of the Taxes Management Act 1970.
- 1.4 The Buyer has not engaged in or been a party to a scheme or arrangement of which the main purpose, or one of the main purposes, was the avoidance of taxation or the obtaining of a taxation advantage. The Buyer has not taken part in any arrangements in respect of which any disclosure has or should have been made or any information provided in compliance with Part 7 of the Finance Act 2004 or Schedule 11A to the VATA or any regulations made under that part or schedule.

- 1.5 Any transaction by the Buyer for which any clearance, approval or consent (a "**Clearance**") from a Tax Authority was legally required or sought was carried out only after such Clearance was obtained. Each application upon which a Clearance was based disclosed all facts and circumstances which could reasonably have affected the decision of the relevant Tax Authority to grant the Clearance.
- 1.6 This agreement, and the implementation of the transactions contemplated by this agreement, will not result in the Buyer incurring any liability to taxation or utilising or setting off any Reliefs, or result for any tax purposes in the deemed disposal, realisation or assignment of any of the assets or liabilities of the Buyer, or the withdrawal, postponement, restriction or loss of any Relief claimed by the Buyer before Completion. Without limitation to the foregoing, no event occurred on or before Completion in consequence of which section 179 of the TCGA or section 345 or section 63 of the CTA 2009 could apply as a result of this agreement or the implementation of the transactions contemplated by this agreement.
- 1.7 The Buyer is not nor has it been party to any transaction or arrangement under which it may be or has been required to compute its profits or losses for tax purposes as if arm's length terms had been made or imposed instead of the actual terms, or otherwise to make any adjustment for tax purposes to the terms on which the transaction or arrangement took place. The Buyer has sufficient information and records to enable it to comply with, or establish that it is not subject to the operation of Part 4 of the Taxation (International and Other Provisions) Act 2010.
- 1.8 There is neither unrelieved surplus Advance Corporation Tax ("**ACT**") nor any shadow ACT for the Buyer as at the date of this agreement.
- 1.9 There are no, nor have there been any, companies which are under the control of the same person or persons which control the Buyer such that the Buyer is, or was, not entitled to the small profits rate of tax for corporation tax purposes.

## 2. **Compliance**

- 2.1 The Buyer has made all returns, claims for relief, applications, notifications, computations, reports, accounts, statements, supplies of information, registrations and assessments ("**Returns**") it is or was required by law to submit to a Tax Authority. All Returns have been in the required form and have been properly submitted by the Buyer within any relevant time limits. The Returns were and remain true, complete and accurate, give full disclosure of all material facts and circumstances and are not the subject of any question or dispute, nor are they, so far as the Buyer is aware, likely to become the subject of any question or dispute with any Tax Authority.
- 2.2 The Buyer has prepared, kept and preserved full and sufficient records as required by law and to enable it to deliver correct and complete Returns and to calculate any present or, so far as possible, future liability of it for taxation including in relation to a future disposal of any of its existing assets or its entitlement to any Relief. Such records are accurate and

up to date. The Buyer has maintained arrangements for keeping accounting records which are sufficient to enable the Buyer's liabilities to tax to be calculated accurately in all material respects. The Buyer is, nor ever has been a qualifying company for the purposes of Schedule 46 to the Finance Act 2009.

- 2.3 Details of all Returns which the Buyer's Accounts assume will be made but which have yet to be submitted have been made available to the Seller.
- 2.4 The Buyer has properly and punctually paid all taxation which it has become liable to pay. The Buyer has, where legally obliged to do so, deducted or withheld amounts in respect of taxation and has properly and punctually accounted to the relevant Tax Authority for the taxation so deducted or withheld.
- 2.5 No Tax Authority has agreed to operate any special arrangement (being an arrangement which is not based on a strict and detailed application of the relevant legislation, statements of practice or published extra-statutory concessions) in relation to the Buyer's affairs.
- 2.6 The Buyer is not or, so far as the Buyer is aware, is it likely to be involved in a dispute in relation to taxation.

### **3. Distributions and loan relationships**

- 3.1 The Buyer has properly accounted for all loan relationships, as defined in section 302 of the CTA 2009 to which it has been a party.
- 3.2 The Buyer has not been a party to an intra-group transfer of a loan or a reorganisation to which Chapter 4 of Part 5 (sections 335 to 347 (inclusive) of the CTA 2009 could apply.
- 3.3 The Buyer has not been a party to a scheme or arrangement involving any loan relationship for the purpose of tax avoidance, including arrangements to which Chapter 15 of Part 5 (sections 440 to 455A (inclusive)) of the CTA 2009 could apply.
- 3.4 The Buyer has not been involved in a relationship which would fall within the definition of a 'connected companies relationship' as defined under section 348(2) of the CTA 2009 nor where Chapter 5, Chapter 6 or Chapter 8 of Part 5 of the CTA 2009 could apply.
- 3.5 All interest, discounts or premiums payable by the Buyer on its loan relationships are eligible to be brought into account as debits for the purpose of Part 5 of the CTA 2009 at the same time and to the same extent as those debits are recognised in the Buyer's statutory accounts.

### **4. Stamp taxes**

- 4.1 The implementation of the transactions contemplated by this agreement will not result in the withdrawal of any exemption or relief previously claimed by the Buyer in respect of stamp duty, stamp duty land tax or any similar duty or tax in a jurisdiction outside the United Kingdom.



4.2 The Buyer has not applied for relief for stamp duty under section 42 of the Finance Act 1930 in respect of any transfer of property between any associated companies as defined in that section.

4.3 No UK land and property is held in a separate non-trading company, whether incorporated in the UK or elsewhere.

4.4 No SDLT could arise on the Buyer from the withdrawal of exemption from or reduction in SDLT arising from any reconstruction under paragraph 7 of Schedule 7 to the Finance Act 2003 or in connection with acquisition relief under paragraph 8 of Schedule 7 to the Finance Act 2003, such withdrawal arising from, but not restricted to, Completion.

## 5. **Secondary Tax liabilities**

5.1 There has been no change in the ownership of any company which has been under the control of the Buyer within the period of three years ending on the date of this agreement, nor has there been any major change in the nature or conduct of the trade or business of any company under the control of the Buyer during such period.

5.2 No activities of the trade or business of any company which has been under the control of the Buyer before the date of this agreement have ceased or become small or negligible.

5.3 The Buyer cannot become liable for a charge to corporation tax arising as a result of a degrouping charge relating to intangible fixed assets under section 795 of the CTA 2009.

## 6. **International**

The Buyer was incorporated in, and is and always has been resident in, the United Kingdom for taxation purposes.

## 7. **Research and development (R&D)**

The Buyer has not made a claim for relief of any sort relating to expenditure on research and development as defined in section 1138 of the CTA 2010.

## 8. **Inheritance tax**

8.1 The Buyer has not made any transfer of value within the meaning of the Inheritance Tax Act 1984 (the "IHTA").

8.2 Neither the assets owned by, nor the shares of, the Buyer are subject to an outstanding Inland Revenue charge as defined in section 237 of the IHTA.

8.3 No circumstances exist or, but for section 204(6) of the IHTA, would exist such that a power of sale could be exercised in relation to any assets or shares of the Buyer pursuant to section 212 of the IHTA.

## 9. **Demergers and exempt distributions**

The Buyer has never been involved in a demerger and/or an exempt distribution as provided for in sections 1073 to 1099 (inclusive) of the CTA 2010 (*Demergers*).

## SCHEDULE 7

### BUYER WARRANTY LIMITATIONS

1. Time limits
  - 1.1 The Buyer shall not be liable for any Claim unless the Seller gives written notice of the Claim to the Seller (containing details of the general nature of the Claim) prior to the expiry of 6 months following the publication of the Accounts for the Buyer for the period ended 31 December 2025.
  - 1.2 The Buyer shall not be liable for any Tax Claim unless the Seller gives written notice of the Tax Claim to the Buyer (containing details of the general nature of the Tax Claim) prior to the expiry of seven years following the Completion Date.
  - 1.3 The Buyer will not plead the Limitation Act 1980 in relation to any Tax Claim.

#### 2. **Withdrawal**

Any Claim or Tax Claim shall (if it has not been previously satisfied, settled or withdrawn) be deemed to be withdrawn and shall be extinguished if legal proceedings in respect of it have not been commenced by both being issued and served within 3 months after notice has been given by the Seller in accordance with paragraph Schedule 51 of this Schedule, except where the Claim or Tax Claim relates to a contingent liability, in which case it shall be deemed to be withdrawn and shall be extinguished if legal proceedings in respect of it have not been commenced by being both issued and served within 6 months of it having become an actual liability.

#### 3. **Financial limits**

- 3.1 The Buyer shall not be liable for any single Claim or Tax Claim unless the amount of the liability pursuant to that single Claim or Tax Claim exceeds £15,000, and, for these purposes, individual Claims or Tax Claims arising from the same, substantially the same or similar or related facts or circumstances shall be aggregated to form one and the same Claim or Tax Claim.
- 3.2 The Buyer shall not be liable for any single Claim or Tax Claim unless the aggregate amount of the liability of the Buyer for all such Claims or Tax Claims not excluded by paragraph Schedule 53.1 of this Schedule exceeds £150,000, in which case the Buyer shall be liable for the full amount of all such Claims or Tax Claims and not merely the excess over £150,000.
- 3.3 The aggregate amount of the liability of the Buyer for all Tax Claims shall not exceed the value of the Consideration Shares (as determined as at Admission).

#### 4. **Settlement of Claims and Tax Claims**

Any Claims or Tax Claims pursuant to the Buyer Warranties will be satisfied exclusively by the obligation of the Buyer to issue additional Consideration Shares to the Buyer, credited as fully paid, with a value equal to the Claim and/or the Tax Claim. For the purposes of this paragraph 4, the attributable value to each additional Consideration Share so issued shall be mid-market closing price of the Consideration Shares on the date of Admission.

**5. Acts or omissions of the Seller**

The Buyer shall not be liable for any Claim (or such liability will be reduced) to the extent that such Claim arises as a result of any voluntary act, omission or transaction carried out:

- (a) after the date of this agreement by the Buyer; or
- (b) before Completion by the Buyer at the written direction or request of the Seller or any member of the Seller's Group,

of which, in any such case, the Seller was actually aware or ought reasonably to have been so aware (in each case otherwise than through the knowledge of the Buyer or any present officer of the Buyer) that such act, omission or transaction would give rise to the Claim in question.

**6. General limitations**

The Buyer shall have no liability (or such liability will be reduced) (whether in contract or otherwise) in respect of any Claim:

- (a) to the extent that such Claim arises, or is increased, as a result of:
  - (i) any increase in rates of Taxation or any change in the law or published practice of a Tax Authority made after the date of this agreement with retrospective effect;
  - (ii) any legislation not in force on or prior to the date of this agreement;
  - (iii) any change of law, regulation, directive, requirement or administration practice which takes effect retroactively;
  - (iv) any change in generally accepted accounting principles after the date of this agreement; or
  - (v) any change in the accounting principles or practice of the Seller or any member of the Seller's Group introduced or having effect after the date of this agreement;
- (b) to the extent that such Claim is based on a liability which is contingent only, unless and until such contingent liability becomes an actual liability;

- (c) to the extent that such Claim is remedied within 30 days following receipt of a notification pursuant to paragraph Schedule 51 of this Schedule (*Time limits*) to the reasonable satisfaction of the Seller;
- (d) to the extent an allowance, provision or reserve in respect of the matter giving rise to such Claim shall have been made in the Accounts or the Management Accounts; or
- (e) to the extent that any loss or damage forming the basis of such Claim is recovered by the Seller or any member of the Seller's Group under any insurance policy.

## 7. **Duty to mitigate**

Nothing in this Schedule shall restrict or limit the general obligation at law of the Seller to mitigate any Loss which it may suffer in consequence of any breach by the Buyer of any of the Buyer Warranties.

## 8. **Conduct of Claims**

8.1 If the Seller becomes aware of any Claim by a third party which might reasonably be expected to result in a Claim being made (a "**Third Party Claim**"), the Seller shall, subject to paragraph Schedule 57.3 of this Schedule:

- (a) within 20 Business Days of becoming aware of it, give written notice of such Third Party Claim to the Buyer containing such details of the Third Party Claim as the Seller has available to it, but so that any failure by the Seller to give such notice within such period shall not prejudice the right of the Seller to make a Claim in relation to such Third Party Claim;
- (b) not make any admission of liability, agreement or compromise to or with any person in relation to that Third Party Claim without the prior written consent of the Buyer (such consent not to be unreasonably withheld or delayed); and
- (c) subject to the Seller being fully indemnified to its reasonable satisfaction by the Buyer against all Losses incurred in respect of that Third Party Claim, take such action as the Buyer may reasonably request to avoid, resist, dispute, appeal, compromise or defend such Third Party Claim.

8.2 If the Buyer fails to indemnify the Seller in accordance with paragraph Schedule 57.1(c) of this Schedule in respect of a Third Party Claim within 15 Business Days after the Buyer has received notice of such Third Party Claim, the Seller shall cease to have any obligations under this paragraph 7 in respect of that Third Party Claim.

8.3 Nothing in this paragraph 7 shall oblige the Seller to take any action or do anything which, in the reasonable opinion of the Seller, is likely to have an adverse impact on the reputation or goodwill of the Seller.

9. **Recovery From Third Parties**

If the Buyer makes any payment to the Seller in relation to a Claim (a "**Damages Payment**") and the Seller receives any sum or benefit otherwise than from the Buyer (whether by payment, discount, credit, relief or otherwise, and including from any Tax Authority) which would not have been received but for the circumstances giving rise to that Claim, the Seller shall (once the Seller has received such sum or benefit), immediately repay to the Buyer an amount equal to such sum or benefit (net of taxation on that amount and reasonable costs of recovery) or, if less, the Damages Payment.

10. **No double recovery**

The Seller shall not be entitled to recover damages or obtain payment, reimbursement, restitution or indemnity more than once in respect of any one liability, loss or breach or other set of circumstances which give rise to more than one Claim or Tax Claim.

## SCHEDULE 8

### COMPLETION

1. On Completion, the Seller shall:
  - (a) deliver to the Buyer:
    - (i) duly executed transfers of the Sale Shares in favour of the Buyer or the Buyer's nominee(s), together with the relative share certificate(s) or an indemnity in a form reasonably required by the Buyer in the case of any missing share certificate(s);
    - (ii) a waiver of any pre-emption rights held by shareholders in We Love Purely Limited and a deed of adherence, in the agreed form, executed by all remaining shareholders in We Love Purely Limited for execution by the Buyer and any consent required from such other shareholders to the Buyer acquiring the Sale Shares in We Love Purely Limited;
    - (iii) evidence that the remaining shareholders in We Love Purely Limited have been offered the terms of this agreement in respect of their minority holdings in We Love Purely Limited and have declined that offer;
    - (iv) an irrevocable power of attorney in the agreed form executed by the Seller authorising the Buyer or its nominees to exercise all voting and other rights attaching to the Sale Shares until registration of the Buyer or such nominee(s) as the holder(s) of the Shares;
    - (v) share certificates in respect of all the issued shares in Juvela Limited;
    - (vi) the certificate of incorporation, certificate(s) of incorporation on change of name, the common seal and all other statutory records of each Sale Subsidiary made up to the Completion Date;
    - (vii) save to the extent that they are kept at the Properties (or any of them), all of the books or account, financial and accounting records, correspondence, documents, files memoranda and other papers relating to each Sale Subsidiary;
    - (viii) the written resignations of each of the directors (other than Scott Livingston, Stephen Argent and Matthew Pack) and the secretary of each Sale Subsidiary, each such resignation to be executed as a deed and to confirm that the person resigning has no claims against such Sale Subsidiary Company for compensation for loss of office or otherwise;
    - (ix) if requested by the Buyer, the written resignations of the auditors of each Sale Subsidiary, such resignation to be in the form required by section 519

of the Companies Act and to confirm that such auditors are of the opinion that there are no circumstances of the nature referred to in section 519(1) and (2) of the Companies Act that need to be brought to the attention of the members or creditors of such Sale Subsidiaries in connection with their resignation;

- (x) the Debt Novations executed by the Seller and each Lender;
  - (xi) duly completed HMRC form VAT 50 Application for VAT Group Treatment for the removal of the Company from the Seller's VAT group;
  - (xii) the registered email addresses, passwords and authentication codes relating to the registrations of each Sale Subsidiary with the Companies House WebFiling Service;
  - (xiii) a licence to occupy the property at 121 Sloane Street Sloane Street, London, England, SW1X 9BW between the Seller and any subsidiary that will use that property following Admission;
  - (xiv) the final form of the list of Designated Creditors; and
  - (xv) the Seller and each relevant Sale Subsidiary will enter into the Capitalisation Agreements.
- (b) the Seller and the Buyer will enter into the Capitalisation Agreement in relation to the Buyer Loans and the Seller will allot and issue one ordinary share in the capital of the Seller to the Buyer, credited as fully paid, pursuant to the Capitalisation Agreement;
- (c) execute and deliver to the Buyer those of the Transaction Documents which are to be executed by the Seller; and
- (d) procure that a meeting of the board of directors of the Company and of each Sale Subsidiary is held at which the following business shall be transacted:
- (i) in the case of each Sale Subsidiary, the transfer of the relevant Sale Shares shall be approved for registration and the entry of the Buyer into the register of members of the relevant Sale Subsidiary (excluding Juvela Limited) shall be approved, in each case subject only to the transfers being duly stamped;
  - (ii) the resignations of such persons as the Buyer shall require as directors of and as the secretary of the Sale Subsidiaries (as applicable) shall be accepted with effect from the conclusion of the meeting and such persons as the Buyer shall nominate shall be appointed in their place;
  - (iii) such firm as the Buyer nominates shall be appointed to replace the existing auditors of each Sale Subsidiary;



- (iv) such other business shall be attended to as the Buyer shall reasonably require,

and will supply duly signed minutes of those meetings to the Buyer.

- 2. Subject to conclusion of the matters referred to in paragraph 1, the Buyer shall on Completion:
  - (a) execute and deliver to the Seller those of the Transaction Documents which are to be executed by the Buyer;
  - (b) procure that a meeting of the board of directors of the Buyer is held at which the following business shall be transacted:
    - (i) allot and issue the Consideration Shares to the Seller (or as it may direct); and
    - (ii) appoint Scott Livingstone, Stephen Argent, Matthew Peck and Alex Philips as directors of the Buyer; and
  - (c) execute the Debt Novations and deliver duly executed copies to the Lender and the Seller;
  - (d) deliver such documents as the Seller shall require in order to release the security registered against the Seller by MC (Charlotte Street) Ltd as security trustee pursuant to a Debenture dated 21 March 2024; and
  - (e) make the payments referred to in Clause 6.4.

## **SCHEDULE 9**

### **THE TRANSACTION DOCUMENTS**

1. The Buyer Circular
2. The Seller Circular
3. The Admission Document
4. The Pre-emption Waiver
5. The Deed of Adherence
6. The Capitalisation Agreements
7. The Subrogation Waiver (if applicable)
8. The W&I Policy (if applicable)
9. The Seller Disclosure Letter
10. The Buyer Disclosure Letter
11. The Debt Novations
12. The list of Designated Creditors

## SCHEDULE 10

### THE PROPERTIES

Property: Units 11, 13, 14, 15 and 16 Brunel Court, Waterwells Business Park, Gloucester	Occupier: Pulsin Limited	Tenure: Leasehold
121 Sloane Street, London, England, SW1X 9BW	Occupier: Market Rocket Limited	Tenure: licence to occupy
Unit 8, 19 De Havilland Drive, Liverpool, L24 8RN, England	Occupier: Juvela	Tenure: Leasehold
Units C3, U5, U6, U7, Central Avenue, Mamhilad Park Estate, Pontypool, NP4 0HZ, England	Occupier: Juvela	Tenure: Leasehold
Unit C2 Central Avenue, Mamhilad Park Estate, Pontypool, NP4 0HZ	Occupier: Juvela	Tenure: Tenancy at Will

## SCHEDULE 11 – LENDERS

<b>Lender Name</b>	<b>Value of outstanding loan as at the date of this Agreement (£)</b>
Kratos Investments L.L.C	1,140,000
Sherwood International Holdings Ltd	1,200,000
Silver Star Holdings Limited	250,000
Scott Livingston	923,202
Stephen Argent	95,000
Alex Philips	12,140
Robert Hewitt	23,508
Matthew Peck	25,000
Simon Ashburner	50,000
Others	93,664

**SIGNED** by a Director )  
for an on behalf of )  
S-Ventures plc ) 

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 Director  
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**SIGNED** by a Director )  
for an on behalf of Riverfort Global )  
Opportunities plc ) 

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 Director  
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