

## **Share Sale and Purchase Agreement**

**Dated**                    5 August                    **2020**

- (1)        NetScientific plc**
- (2)        Futura Messis Group Ltd**
- (3)        Ilian Iliev**

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## Share Sale and Purchase Agreement

**Dated** 5 August 2020

### **Between:**

- (1) **Futura Messis Group Ltd** (registered in England with company number 11830545) whose registered office is a 10 Jesus Lane, Cambridge, United Kingdom CB5 8BA (the "**Seller**");
- (2) **Ilian Iliev** of Flat 37, New Atlas Wharf, 3 Arnhem Place, London, E14 3SS (the "**FM Guarantor**"); and
- (3) **NetScientific plc** (registered in England with company number 08026888) whose registered office is at C/O Wilkins Kennedy LLP Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Buckinghamshire, HP6 6FA (the "**Buyer**").

### **Background**

- (A) The Seller is the owner, or is otherwise able to procure the transfer, of the legal and beneficial title to the entire issued share capital of the Company.
- (B) The Seller wishes to sell and the Buyer wishes to purchase all the issued share capital of the Company free from any Encumbrance on the terms and subject to the conditions set out in this Agreement.
- (C) The FM Guarantor has agreed to guarantee the obligations of the Seller under this Agreement.

### **The Parties agree as follows:**

#### **1 Definitions and interpretation**

- 1.1 In this Agreement, unless otherwise specified, the following expressions have the following meanings:

"**Accounts**" means the Company's individual accounts (as that term is used in section 396 of the Act) for the financial year ended on the Last Accounting Date;

"**Act**" means the Companies Act 2006, as amended;

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

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

"**AIM Rules**" means the AIM Rules for Companies published by the London Stock Exchange;

"**Application**" means the application to be made by or on behalf of the Company to the London Stock Exchange for Admission;

"**Books and Records**" means all notices, correspondence, orders, inquiries, drawings, plans, books of account and other documents and all computer disks or tapes or other machine legible programmes or other records;

**"Business Day"** means a day, other than a Saturday or Sunday or a public holiday on which banks are open for general business in London;

**"Buyer Resolutions"** means the resolutions relating to the issue of Consideration Shares and Placing Shares, and the Rule 9 Waiver, set out in the notice convening the General Meeting contained in the Circular;

**"Buyer's Group"** means the Buyer and its subsidiaries and subsidiary undertakings, any holding company of the Buyer and all other subsidiaries and subsidiary undertakings of any such holding company (including, following Completion, the Company);

**"Buyer's Relief"** has the meaning given in the Tax Deed;

**"Buyer's Solicitors"** means Stephenson Harwood LLP of 1 Finsbury Circus, London, EC2M 7SH;

**"Buyer's Warranties"** the warranties set out in clause 11 and Schedule 7 (*Buyer's Warranties*);

**"Circular"** means the circular to be sent by the Buyer to its shareholders in connection with Admission, the Rule 9 Waiver and the Placing including, amongst other things, a letter from the chairman of the Company and a notice convening the General Meeting;

**"Collaboration and Fee Sharing Agreement"** means the collaboration agreement between the Company and EcoMachines Ventures Ltd dated on or around 24 April 2019;

**"Company"** means EMV Capital Ltd (company number 11412783), basic information concerning which is set out in Schedule 1 (*Details of the Company*);

**"Completion"** means completion of the sale and purchase of the Sale Shares in accordance with clause 8;

**"Completion Date"** means the date on which all of the Conditions have been fulfilled or waived or such other time as shall be mutually agreed between the Parties;

**"Conditions"** means those conditions as are set out in clause 3;

**"Consideration"** has the meaning given in clause 5.1;

**"Consideration Shares"** means 3,521,480 ordinary shares of 5 pence each in the capital of the Buyer (following the proposed sub-division and consolidation of the share capital of the Buyer as set out in the Circular) and to be allotted and issued to the Seller and/or such other person as the Seller directs in accordance with clause 5.1 in consideration for the sale of the Sale Shares;

**"Data Room"** means the electronic data room provided by the Seller to the Buyer, as referred to in the Disclosure Letter;

**"Disclosed"** means fairly disclosed with sufficient details to enable a reasonable purchaser of the Sale Shares to identify the nature, scope and importance of the matters disclosed;

**"Disclosure Letter"** means the letter, in the agreed form, of the same date as this Agreement from the Seller to the Buyer disclosing certain exceptions to the Warranties;

**"Employees"** means Agnese Palermo, Harry Miller and Stefan Nahum;

**"Encumbrance"** means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, licence, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including a title transfer and retention arrangement) having similar effect;

**"General Meeting"** means the general meeting of the Buyer convened for 24 August 2020 by way of the notice that appears in the Circular, subject any adjournment thereof, at which the Buyer Resolutions will be proposed;

**"Health and Safety Law"** means all laws relating to the health and safety of any person, including:

- (a) local, national, European and international laws; and
- (b) statutes, regulations, orders, by-laws, other secondary legislation, common law, directives, treaties and other measures, judgments and decisions of any court or tribunal, codes of practice, policy, circulars, guidance notes, notices or demands;

which has been enacted or is in force as at the date of this Agreement;

**"Independent Directors"** means John Clarkson and Professor Stephen Smith;

**"Independent Shareholders"** has the meaning given to that term in the Circular;

**"Intellectual Property"** means patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets) and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;

**"Last Accounting Date"** means 30 June 2019;

**"Leakage"** means each and any of the following:

- (a) any dividend or other distribution (whether in cash or in specie) declared, paid or made by the Company to the Seller or a Related Person;
- (b) any payment by the Company to the Seller or a Related Person for the purchase, redemption or repayment of any share capital, loan capital or

other securities of the Company, or any other return of capital to the Seller or a Related Person;

- (c) the Company paying, incurring or otherwise assuming liability for any fees, costs or expenses in connection with the Transaction Documents (including professional advisers' fees, consultancy fees, transaction bonuses, finders fees, brokerage or other commission);
- (d) any payment of any other nature made by the Company to or for the benefit of the Seller or a Related Person (including royalty payments, management fees, monitoring fees, interest payments, loan payments, service or directors' fees, bonuses or other compensation of any kind);
- (e) any transfer or surrender of assets, rights or other benefits by the Company to or for the benefit of the Seller or a Related Person;
- (f) the Company assuming or incurring any liability or obligation for the benefit of the Seller or a Related Person;
- (g) the provision of any guarantee or indemnity or the creation of any Encumbrance by the Company in favour, or for the benefit, of the Seller or a Related Person;
- (h) any waiver, discount, deferral, release or discharge by the Company of: (i) any amount, obligation or liability owed to it by the Seller or a Related Person; or (ii) any claim (howsoever arising) against the Seller or a Related Person;
- (i) any agreement, arrangement or other commitment by the Company to do or give effect to any of the matters referred to in paragraphs (a) to (h) (inclusive) above; and/or
- (j) any Tax paid, incurred or suffered (or which would have been paid, incurred or suffered but for the use of any Buyer's Relief) by the Company in respect of, by reference to or in consequence of any payments or matters referred to in paragraphs (a) to (i) (inclusive) above.

**"Leakage Claim"** means a claim for any breach of clause 6;

**"Locked Box Accounts"** means the Company's accounts for the twelve months ended on the Locked Box Accounts Date (a copy of which is included in Schedule 5);

**"Locked Box Accounts Date"** means 31 December 2019;

**"Long Stop Date"** means 30 November 2020 or such other date as the Parties may from time to time agree;

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

**"Management Accounts"** means the unaudited management accounts of the Company for the period from the Last Accounting Date to 31 July 2020 a copy of which is attached to the Disclosure Letter;

**"Parties"** means the parties to this Agreement; and **"Party"** means any one of them;

**"Permit"** means a permit, licence, permission, approval, consent, certificate, qualification, specification, registration and other authorisation, and a filing of a notification, report or assessment, necessary in any jurisdiction for the effective operation of the Company's business, its ownership, possession, occupation or use of an asset or the execution or performance of this Agreement;

**"Permitted Leakage"** means each and any of the following:

- (a) any payments made (or to be made) by the Company to the Seller or a Related Person (including any applicable VAT, PAYE income tax and National Insurance contributions in respect of, by reference to or in consequence of any such payments) in the ordinary course, on arm's length terms and on a basis consistent with past practice, a list of which is set out in Schedule 6;
- (b) any payments made (or to be made) by the Company which have been specifically accrued or provided for in the Locked Box Accounts;
- (c) any payments in respect of salaries, directors' fees, pension contributions, expenses or bonuses made to, or in respect of services provided by, employees, workers, directors, officers or consultants of the Company (including any applicable VAT, PAYE income tax and National Insurance contributions in respect of, by reference to or in consequence of any such payments) which are made (or to be made) by the Company in the ordinary course of business and in accordance with the terms of the related employment or service contract;
- (d) any other payment, accrual, transfer of assets or assumption of liability by the Company which the Buyer has expressly approved in writing;
- (e) any payments made (or to be made) by the Company, a list of which is set out in Schedule 6;

**"Placing"** means the placing of the Placing Shares in accordance with the Placing Agreement;

**"Placing Agreement"** means the agreement dated on or about the date hereof between the Buyer and WH Ireland Limited, pursuant to which the Buyer will undertake a placing of ordinary shares in the capital of the Buyer;

**"Placing Shares"** means the ordinary shares in the capital of the Buyer to be issued to places in connection with the Placing;

**"Previous Announcement"** means all documents issued and announcements made by or on behalf of the Company to any stock exchange or via a Regulatory Information Service;

**"Regulatory Information Service"** means any of the services set out in the list maintained by the London Stock Exchange as set out in the AIM Rules;



**"Related Person"** means any person connected (as defined by section 1122 of the Corporation Tax Act 2010) with the Seller, other than the Company, including (notwithstanding the foregoing) any of London Innovation Partners Limited, Deeptech Disruptive Growth Investments Ltd and EcoMachines Ventures Ltd;

**"Relationship and Lock-Up Agreement"** means the agreement between (amongst others) the Buyer and the Seller dated on or around the date of this Agreement regarding the conduct of and restrictions on the Seller and the Concert Party (as defined in the Circular) in relation to the share capital of the Buyer;

**"Rule 9 Waiver"** means the proposed waiver by the Takeover Panel of the obligation of the Concert Party to make a general offer under Rule 9 of the Takeover Code (which would otherwise arise as a consequence of the Seller's acquisition of Consideration Shares pursuant to this Agreement and the participation by the Concert Party in the Placing), conditional upon approval by Independent Shareholders in accordance with the Takeover Code by the passing of Buyer Resolution number 4 (as set out in the Circular);

**"Sale Shares"** means all of the issued shares in the capital of the Company;

**"Seller's Solicitors"** means Trowers & Hamblins LLP of 3 Bunhill Row, London EC1Y 8YZ;

**"Takeover Code"** means the City Code on Takeovers and Mergers;

**"Takeover Panel"** means the Panel on Takeovers and Mergers;

**"Tax"** has the meaning given in the Tax Deed;

**"Tax Authority"** has the meaning given in the Tax Deed;

**"Tax Deed"** means the deed of tax covenant in the agreed form, to be entered into by the Seller and the Buyer at Completion;

**"Tax Claim"** means a claim for breach of the Tax Warranties or under the Tax Deed;

**"Tax Warranties"** means the Warranties set out in paragraph 7 of Schedule 3;

**"Transaction Document"** means this Agreement, the Relationship and Lock-Up Agreement, the Tax Deed and the Disclosure Letter;

**"VAT"** means

- (a) any tax imposed in compliance with VATA 1994 or Directive 2006/112/EC; and
- (b) any tax of a similar nature, whether imposed in a member state of the European Union in substitution for or in addition to such tax as is referred to in (a) above, or imposed elsewhere;

**"VATA 1994"** means the Value Added Tax Act 1994;

**"Warranties"** means the warranties set out in Schedule 3 (*Warranties*); and

**"Warranty Claim"** means a claim for breach of a Warranty;

- 1.2 a reference to a statute or statutory provision includes a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted (and shall include subordinate legislation made from time to time under that statute or statutory provision);
- 1.3 references to the recitals, clauses and the schedules are to the recitals, clauses of and the schedules to this Agreement and any reference to a sub-clause or a paragraph is to the relevant sub-clause or paragraph of the clause or schedule in which it appears. The schedules and recitals form part of this Agreement and shall have effect as if set out in full in the body of this Agreement and any reference to this Agreement includes the schedules and the recitals;
- 1.4 a reference to "**this Agreement**" or to any other Transaction Document is a reference to this Agreement or such other Transaction Document as varied or novated (in each case, other than in breach of the provisions of this Agreement) from time to time;
- 1.5 words in the singular shall include the plural and in the plural shall include the singular and a reference to one gender shall include a reference to the other genders;
- 1.6 a reference to a "**person**" includes a natural person, firm, company, corporation, body corporate, government, state or agency of the state, local or municipal authority or governmental body or any joint venture, association or partnership in each case (whether or not having separate legal personality);
- 1.7 a "**person**" shall be deemed connected with another if that person is connected with that other within the meaning of section 1122 and 1123 of the Corporation Taxes Act 2010;
- 1.8 any words following the terms "**including**", "**include**", "**in particular**", "**for example**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- 1.9 a reference to "**agreed form**" in relation to any document means that document in a form agreed by the Parties and initialled for the purposes of identification by the Buyer's Solicitors on behalf of the Buyer and the Seller's Solicitors on behalf of the Seller (with such changes as the Parties may agree in writing before Completion);
- 1.10 references to a "**day**" (including the phrase "**Business Day**") shall mean a period of 24 hours running from midnight to midnight;
- 1.11 a reference to "**writing**" or "**written**" includes email;
- 1.12 references to time of day are to London, England time;
- 1.13 any obligation not to do anything shall be deemed to include an obligation not to suffer, permit or cause that thing to be done if it is within the power of the relevant person to prevent that thing being done;
- 1.14 references to legislation, enactments or regulations are to United Kingdom legislation, enactments or regulations;

- 1.15 any reference to "**£**" is to British Pounds Sterling or, if different, the lawful currency of the United Kingdom from time to time;
- 1.16 a "**subsidiary**" or "**holding company**" means a subsidiary or a holding company (as the case may be) as defined in section 1159 of the Act and for the purposes of this definition, a company shall be treated for the purposes of the membership requirement contained in sub-sections 1159(1)(b) and (c) only, as a member of another company even if its shares in that other company are registered in the name of: (i) another person (or its nominee), whether by way of security or in connection with the taking of security, or (ii) its nominee;
- 1.17 the word "**company**", except where referring to the Company, shall include any company, corporation or other body corporate, wherever and however incorporated or established;
- 1.18 the expressions "**director**" and "**shadow director**" have the respective meanings given to them by sections 250 and 251 of the Act; and
- 1.19 where a statement is qualified by the expression "**so far as the Seller is aware**" or "**to the best of the knowledge, information and belief of the Seller**", or any similar expression, that statement shall be deemed to include the actual knowledge of Ilian Iliev, and an additional statement that it has been made after due and careful enquiry by the Seller.

## **2 Sale and purchase**

- 2.1 Subject to the Conditions, the Seller shall sell the Sale Shares as legal and beneficial owner with full title guarantee and the Buyer shall buy the Sale Shares free from all Encumbrances together with all rights attaching or accruing to the Sale Shares at or after Completion.
- 2.2 The Buyer shall not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all of the Sale Shares is completed simultaneously, but completion of the purchase of some of the Sale Shares shall not affect the rights of the Buyer in respect of its rights to the other Sale Shares.
- 2.3 The Seller waives all rights of pre-emption over any of the Sale Shares conferred upon it by the articles of association of the Company or in any other way and undertakes to take all steps necessary to ensure that any rights of pre-emption of any person over any of the Sale Shares are waived prior to Completion.

## **3 Conditions**

- 3.1 Completion is conditional upon the following conditions being satisfied, or, in the case of the Conditions set out in clause 3.1.5 waived in writing by the Buyer and the Seller by notice as provided below, on or before the Long Stop Date:
- 3.1.1 the passing of the Buyer Resolutions (to the extent required by the Company to issue and allot the Consideration Shares) at the General Meeting;

- 3.1.2 the Rule 9 Waiver having been granted and not revoked by the Takeover Panel (conditional only on approval by the Independent Shareholders of Buyer Resolution number 4 as set out in the Circular);
  - 3.1.3 the Application being submitted to the London Stock Exchange as required by Rule 29 of the AIM Rules and the London Stock Exchange agreeing to admit the Consideration Shares to trading on AIM (subject only to allotment);
  - 3.1.4 Admission of the Consideration Shares occurring not later than 8.00 a.m. on 25 August 2020; and
  - 3.1.5 the Relationship and Lock-Up Agreement becoming unconditional in all respects (other than as to any condition as to completion of this Agreement).
- 3.2 The Parties may agree between them in writing to waive in whole or in part a condition set out in clause 3.1.5.
- 3.3 The Parties shall use all reasonable endeavours (insofar to as it is within their power to do so) to ensure that the Conditions shall be satisfied as soon as possible and, in any event, by no later than the Long Stop Date. The Parties shall keep each other advised of the progress towards the satisfaction of the Conditions and shall notify the others in writing as soon as reasonably practicable of the satisfaction of each Condition.
- 3.4 Each of the Seller and the Buyer undertakes to disclose in writing to the other Parties anything which will or may prevent any of the Conditions from being satisfied on or prior to the Long Stop Date (or subsequently) immediately after it comes to their attention.
- 3.5 If any of the Conditions remain to be fulfilled or waived, by 5.00 p.m. on the Long Stop Date, subject to clause 3.6, this Agreement shall be capable of termination by either the Buyer or the Seller forthwith on written notice to the other.
- 3.6 If this Agreement terminates in accordance with clause 3.5 and without limiting the Buyer's right to any right, power or remedy provided by law or under this Agreement:
- 3.6.1 the provisions of clause 18 (*Costs and Expenses*) shall apply; and
  - 3.6.2 all obligations of the Parties under this Agreement shall end except for those expressly stated to continue but (for the avoidance of doubt) all rights and liabilities of the Parties which have accrued before termination shall continue to exist.

#### **4 Period to Completion**

- 4.1 Between execution of this Agreement and Completion the Seller shall procure that the Company shall carry on its business in the ordinary and usual course and in the same manner that the business was carried on during the six months preceding the date of this Agreement and in particular the Seller shall procure that:

- 4.1.1 save where the Buyer otherwise consents in writing (such consent not to be unreasonably withheld, delayed or conditioned), the Company complies with the undertakings set out in Schedule 4; and
  - 4.1.2 the Buyer and its advisers and agents shall upon reasonable notice be given reasonable access to the premises and all Books and Records and title deeds of the Company and the directors and employees of the Company and the Company will be instructed to give promptly all such information to the Buyer or any person as they may request.
- 4.2 Between execution of this Agreement and Completion the Buyer shall:
  - 4.2.1 carry on its business in the ordinary and usual course and in the same manner that the business was carried on during the six months preceding the date of this Agreement; and
  - 4.2.2 not create, allot, issue or grant any option over or other right to subscribe for or purchase or redeem, buy back, sub-divide, consolidate, re-denominate, convert, repay, cancel, reduce or alter the rights attaching to any share or loan capital or securities or agree, arrange or undertake to do any of those things.
- 4.3 If at any time before Completion the Seller becomes aware of any matter or thing that is reasonably likely to give rise to a breach of clause 4.1.1 or a breach of a Warranty or a Leakage Claim, or make a Warranty untrue or misleading on its repetition immediately before Completion, the Seller shall immediately notify the Buyer in writing.
- 4.4 If at any time before Completion the Buyer becomes aware of any matter or thing that is reasonably likely to give rise to a breach of clause 4.2 or a breach of a Buyer's Warranty, or make any such warranty untrue or misleading on its repetition immediately before Completion, the Buyer shall immediately notify the Seller in writing.
- 4.5 If at any time before or at Completion:
  - 4.5.1 the Buyer considers that the Seller is either in breach of a Warranty or any other provision of this Agreement, or would be in breach of a Warranty on its repetition immediately before Completion; or
  - 4.5.2 there is, in the reasonable opinion of the Buyer, any material adverse change in the business, operations, assets, insurance, management, properties, position (financial, trading or otherwise), profits or prospects of the Company or events or circumstances which are likely to lead to the same,

the Buyer either may proceed to Completion or by notice to the Seller elect to terminate this Agreement (but termination shall not affect a Party's accrued rights, remedies and obligations at the date of termination).
- 4.6 If at any time before or at Completion:

4.6.1 the Seller considers that the Buyer is either in breach of a Buyer's Warranty or any other provision of this Agreement, or would be in breach of a Buyer's Warranty on its repetition immediately before Completion; or

4.6.2 there is, in the reasonable opinion of the Seller, any material adverse change in the business, operations, assets, insurance, management, properties, position (financial, trading or otherwise), profits or prospects of the Buyer or events or circumstances which are likely to lead to the same,

the Seller either may proceed to Completion or by notice to the Buyer elect to terminate this Agreement (but termination shall not affect a Party's accrued rights, remedies and obligations at the date of termination).

4.7 If a Party elects to terminate this Agreement in accordance with clause 4.5 or clause 4.6, the provisions of clause 18 (*Costs and Expenses*) shall apply. This is without prejudice to that Party's accrued rights or remedies against the other Parties.

## **5 Consideration**

5.1 The consideration payable for the acquisition of the Sale Shares shall be the allotment and issue of the Consideration Shares ("**Consideration**"), to be satisfied on Completion by the Buyer allotting and issuing to the Seller and/or such other person as the Seller directs, credited as fully paid, the Consideration Shares.

5.2 For the purposes of clause 5.1, the value of each Consideration Share shall be the opening market price of ordinary shares in the capital of the Buyer on AIM on the Completion Date.

## **6 Leakage Undertakings**

6.1 The Seller warrants and undertakes to the Buyer that:

6.1.1 during the period commencing on (and including) the Locked Box Date up to (and including) the date of this Agreement, no Leakage has occurred other than Permitted Leakage; and

6.1.2 during the period commencing on the date of this Agreement up to (and including) the Completion Date, no Leakage will occur other than Permitted Leakage.

6.2 The Seller undertakes to promptly notify the Buyer in writing if it becomes aware of any matter or circumstance that could give rise to a Leakage Claim, including reasonable details (in so far as they are known to the Seller) of the Leakage concerned and, as far as is reasonably practicable, an estimate of the quantum of such Leakage.

6.3 Subject always to clause 6.4, clause 6.5 and clause 6.9, the Seller shall indemnify the Buyer against any Leakage in breach of the undertakings in clause 6.1 and undertakes to pay to the Buyer on demand:

6.3.1 a sum equal to the amount necessary to put the Company into the position they would have been if such Leakage had not occurred;

- 6.3.2 a sum equal to all costs and expenses reasonably incurred by the Buyer in connection with such Leakage; and
- 6.3.3 such sum as is necessary to ensure that after the deduction of any tax due on any amount payable under this clause 6.3 (whether by way of direct assessment or withholding at its source), the Buyer is left with the same amount it would have had if the payment was not subject to tax.
- 6.4 The Seller shall have no liability for a Leakage Claim unless it has received written notice of such Leakage Claim from the Buyer (including reasonable details (in so far as they are known to the Buyer) of the matter or event giving rise to the Leakage Claim and, as far as is reasonably practicable, the amount payable by the Seller in respect of the Leakage Claim) on or before the first anniversary of Completion.
- 6.5 For the avoidance of doubt, the Seller shall have no liability to the Buyer in respect of any Leakage Claim if Completion does not occur.
- 6.6 The Buyer's sole remedy in respect of any Leakage Claim is a claim under the indemnity in clause 6.3.
- 6.7 Nothing in this clause 6 shall have the effect of limiting or excluding any liability arising as a result of fraud.
- 6.8 The purchase price (calculated as being the opening market price of ordinary shares in the capital of the Buyer on the Completion Date, multiplied by the number of Consideration Shares) shall be deemed to be reduced by the amount of any payments made to the Buyer under this clause 6.
- 6.9 For the avoidance of doubt, to the extent that any Leakage Claims give rise to a Liability to Tax, the provisions of the Tax Deed shall apply to the relevant Liability to Tax.

## **7 Consideration Shares**

- 7.1 The Consideration Shares shall rank *pari passu* in all respects with the existing ordinary shares of 5 pence each in the capital of the Buyer, including the right to receive all dividends declared, made or paid after the Completion Date (save that they shall not rank for any dividend or other distribution declared made, or paid by reference to a record date before the Completion Date).
- 7.2 The Seller undertakes to the Buyer that it shall not following Completion sell, transfer or otherwise dispose of, or create any Encumbrance over, any of its Consideration Shares (or any interest in them), or enter into any agreement to do so, where not permitted under the Relationship and Lock-Up Agreement.

## **8 Completion**

- 8.1 Completion shall take place on the Completion Date or at such other date as shall be mutually agreed in writing between the Parties.
- 8.2 At Completion the Seller shall do those things listed in Part A of Schedule 2 (*Completion, Seller's Obligations*) and the Buyer shall do those things listed in Part B of Schedule 2 (*Completion, Buyer's obligations*).

- 8.3 The Buyer shall not be obliged to complete this Agreement unless the Seller complies with the requirements of clause 8.2 and Part A of Schedule 2 (*Completion, Seller's obligations*).
- 8.4 If the obligations of the Seller under clause 8.2 and Part A of Schedule 2 (*Completion, Seller's obligations*) are not complied with by the Long Stop Date the Buyer may:
- 8.4.1 proceed to Completion as far as practicable (without limiting its rights under this Agreement); or
- 8.4.2 terminate this Agreement by notice in writing to the Seller.
- 8.5 If this Agreement is terminated in accordance with clause 8.4 and without limiting the Buyer's right to any right, power or remedy provided by law or under this Agreement:
- 8.5.1 the provisions of clause 18 shall apply (*Costs and expenses*); and
- 8.5.2 all obligations of the Parties under this Agreement shall end except for those expressly stated to continue but (for the avoidance of doubt) all rights and liabilities of the Parties which have accrued before termination shall continue to exist.
- 8.6 Settlement of the Consideration by or on behalf of the Buyer of the amount stated in clause 5 (*Consideration*) in accordance with Part B of Schedule 2 (*Completion, Buyer's obligations*) shall constitute payment of the consideration for the Sale Shares and shall discharge the obligations of the Buyer under clause 2 (*Sale and purchase*).

## **9 Warranties**

- 9.1 The Seller warrants to the Buyer that each Warranty is true, accurate and not misleading at the date of this Agreement and that each Warranty will be true, accurate and not misleading at the Completion Date as if repeated on Completion by reference to the facts and circumstances as at the Completion Date. For this purpose, an express or implied reference in a Warranty to the "date of this Agreement" is also to be construed as a reference to the "Completion Date".
- 9.2 The Seller shall procure that no act shall be performed or omission allowed in the period between the date of this Agreement and Completion, by it or the Company, which would result in any of the Warranties being breached or misleading at the time of Completion.
- 9.3 The rights and remedies of the Buyer in respect of any breach of the Warranties shall not be affected by Completion or by any information relating to the Company of which the Buyer or any of its agents or advisers has knowledge (however acquired and whether actual, imputed or constructive) which is not Disclosed in the Disclosure Letter.
- 9.4 Each of the Warranties are separate and independent and unless otherwise expressly provided shall not be limited by reference to any other Warranty or anything in this Agreement.



- 9.5 The Seller undertakes to the Buyer that it will not bring any claim or other action (including a claim for contribution under the Civil Liability (Contribution) Act 1978) in respect of negligence or otherwise (a "**Claim**") against the Company (or any of its officers, employees, agents or advisers) in relation to any matter arising (directly or indirectly) out of or in connection with the Transaction Documents. To the extent that any Claim exists (if any and without prejudice to the aforesaid), the Seller irrevocably and unconditionally waives the right to bring any Claim against or recover any sums (in relation to a Claim) from the Company (or any of its officers, employees, agents or advisers). The consideration for such waiver is included in the Consideration. It is intended that the Company (or any of its officers, employees, agents or advisers) shall be entitled to the benefit of the releases and waivers provided for in this clause for the purposes of the Contracts (Rights of Third Parties) Act 1999.
- 9.6 The Seller will give to the Buyer all such information and documentation relating to the Company as the Buyer shall reasonably require to enable it to satisfy itself as to whether there has been any breach of the Warranties.
- 9.7 Any payment by the Seller in respect of any claim under this Agreement shall, to the extent possible, be deemed to be and shall take effect as a reduction in the purchase price (as described in clause 6.8).

## **10 Limitations on the Seller's liability**

- 10.1 The Buyer shall not be entitled to claim that any fact, matter or circumstance causes any of the Warranties to be breached or renders any of the Warranties misleading if it has been Disclosed in the Disclosure Letter or pursuant to clause 4.3 and only those matters so Disclosed shall qualify the Warranties.
- 10.2 No liability shall attach to the Seller in respect of a Warranty Claim, a claim under clause 12.1 or a Tax Claim if and to the extent that the following limitations apply:
- 10.2.1 the total aggregate liability of the Seller in respect of all Warranty Claims and any claim under clause 12.1 is limited to £150,000;
  - 10.2.2 the total aggregate liability of the Seller in respect of all Tax Claims is limited to the value of the Consideration Shares as at the date of the relevant Tax Claim;
  - 10.2.3 the Seller shall not be liable for a Warranty Claim, a claim under clause 12.1 or a Tax Claim unless the Seller's liability in respect of such claim (together with any connected claims arising from the same event or set of circumstances, or relating to the same subject matter) exceeds £10,000;
  - 10.2.4 the Seller shall not be liable for a Warranty Claim (other than a Tax Claim) or a claim under clause 12.1 unless the Buyer has given the Seller written notice of the claim, stating in reasonable detail the nature of the claim and, if practicable, the amount claimed, on or before the second anniversary of Completion; and
  - 10.2.5 the Seller shall not be liable for a Tax Claim unless the Buyer has given the Seller written notice of the claim, stating in reasonable detail the nature of

the claim and, if practicable, the amount claimed, on or before the seventh anniversary of Completion.

- 10.3 Any Warranty Claim, claim under clause 12.1 or Tax Claim notified in accordance with clause 10.2.4 or clause 10.2.5 shall (if not previously satisfied, settled or withdrawn) be deemed to have been irrevocably withdrawn on the Specified Date (and no new Warranty Claim, claim under clause 12.1 or Tax Claim may be made in respect of the same loss or liability) unless on or before that date, legal proceedings have been issued and served on the Seller in respect of the relevant claim.

For the purposes of this clause 10.3, the "Specified Date" means:

- 10.3.1 12 months after the date on which notice of the relevant claim was given; or,
- 10.3.2 if later and in the case of a Tax Claim only, 12 months after the date on which the Seller has irrevocably notified the Buyer in writing that it will not request that the Buyer takes (or procures the taking of) any steps under clause 5 (Mitigation) or clause 8 (Claims Procedure) of the Tax Deed in relation to the subject matter of the Tax Claim in question and that the Buyer is free to settle the matter at its discretion with the relevant Tax Authority.
- 10.4 The Seller shall have no liability in respect of a Warranty Claim or claim under clause 12.1 if and to the extent that such claim is based upon a contingent liability unless and until such liability becomes an actual liability, and provided this occurs before the expiry of the time limit for notifying such claim as set out in clause 10.2.4 or clause 10.2.5 (as the case may be).
- 10.5 The Seller shall have no liability in respect of any Warranty Claim if and to the extent that sufficient allowance, provision or reserve was made in the Accounts or the Locked Box Accounts specifically in respect of the matter or circumstances giving rise to such claim.
- 10.6 The Seller shall not be liable in respect of a Warranty Claim where the Buyer or the Company is entitled to make a claim under a policy of insurance in respect of any matter or circumstance giving rise to such claim unless the Buyer first makes (or procures that the Company makes) a claim against its insurers pursuant to the relevant policy. The Seller's liability in respect of any such claim shall then be reduced by the amount recovered under such policy of insurance (less all reasonable costs, charges and expenses incurred by the Buyer in recovering that sum), or extinguished if the amount so recovered exceeds the amount of such claim.
- 10.7 The Seller shall not be liable in respect of any Warranty Claim if the matter or circumstance giving rise to such claim arises, occurs or is otherwise attributable to, or to the extent that the Seller's liability pursuant to such claim is increased as a result of, any change in the accounting bases, policies, practices or methods applied in preparing any accounts or valuing any assets or liabilities of the Company introduced or having effect after Completion.

- 10.8 If the Buyer or the Company is at any time entitled to recover or otherwise claim reimbursement from a third party in respect of any matter or circumstance giving rise to a Warranty Claim the following provisions shall apply:
- 10.8.1 the Buyer shall (or shall procure that the Company shall) use all reasonable endeavours to enforce such recovery or seek such reimbursement from the relevant third party and shall do so before making a Warranty Claim against the Seller;
  - 10.8.2 the liability of the Seller in respect of the related Warranty Claim shall be reduced by the amount (if any) actually recovered from the relevant third party (less all reasonable costs, charges and expenses incurred by the Buyer or the Company in recovering that sum), or extinguished if the amount recovered exceeds the amount of the relevant claim; and
  - 10.8.3 if the Seller makes a payment to the Buyer in respect of any such claim and the Buyer or the Company subsequently recovers from a third party a sum which is referable to that claim, the Buyer shall promptly repay to the Seller the lower of:
    - (a) the amount recovered from such third party (less all reasonable costs, charges and expenses incurred by the Buyer or the Company in recovering that sum); and
    - (b) the amount paid to the Buyer by the Seller in respect of the relevant claim.
- 10.9 Neither the Buyer (nor any other member of the Buyer's Group) shall be entitled to recover damages, or obtain payment, reimbursement, restitution or indemnity more than once in respect of the same loss, shortfall, damage, deficiency, breach or other event or circumstance.
- 10.10 The Buyer shall (and shall cause the Company to) take all reasonable steps to avoid or mitigate any loss or liability that may give rise to a Warranty Claim, or a claim under clause 12.1.
- 10.11 Nothing in this clause 10 applies to exclude or limit the liability of the Seller in respect of any claim under a Transaction Document that (in whole or in part) arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by the Seller.

## **11 Buyer Warranties**

- 11.1 The Buyer warrants to the Seller that:
- 11.1.1 it is a limited company incorporated and validly existing under English law;
  - 11.1.2 it has the requisite capacity, power and authority and has taken all action necessary to enter into and perform this Agreement and each other document to which the Buyer is a party to be executed at or before Completion (the "**Buyer Associated Documents**") and that its obligations under this Agreement and the Buyer Associated Documents are, or when

the relevant document is executed will be, valid and binding obligations of the Buyer in accordance with their terms;

11.1.3 the execution and delivery of, and the performance by the Buyer of its obligations under, this Agreement and the Buyer Associated Documents will not:

- (a) result in a breach of any provision of the articles of association of the Buyer;
- (b) result in a breach of, or constitute a default under, any instrument to which the Buyer is a party or by which the Buyer is bound; or
- (c) result in a breach of any order, judgment or decree of any court or governmental agency or regulatory body by which the Buyer is bound;

11.1.4 each of the Buyer's Warranties is true, accurate and not misleading at the date of this Agreement and that each of the Buyer's Warranties will be true, accurate and not misleading at the Completion Date (with the exception of clause 1 of Schedule 7) as if repeated on Completion by reference to the facts and circumstances as at the Completion Date. For this purpose, an express or implied reference in any of the Buyer's Warranties to the "date of this Agreement" is also to be construed as a reference to the "Completion Date"; and

11.1.5 the Buyer is not actually aware of any specific matter or circumstance at the date of this Agreement that could reasonably give rise to a Warranty Claim (save as Disclosed).

11.2 Each of the Buyer's Warranties are separate and independent and unless otherwise expressly provided shall not be limited by reference to any other Buyer's Warranty or anything in this Agreement.

## **12 Indemnity**

12.1 The Seller shall on demand indemnify the Buyer and other members of the Buyer's Group against any losses, liabilities, costs or expenses suffered or incurred by the Buyer or any other member of the Buyer's Group as a result of:

12.1.1 there being no advisory agreements between the Company and each of Zoom Growth Investment Ltd, Vaisori Limited and Victoria System Holding Ltd in respect of the Company's advice to such persons relating to PointGrab, Inc; and

12.1.2 the Company not receiving fees that would otherwise have been due to it had such advisory agreements been entered into between such parties (such fees being no less favourable than the terms asset out in paragraph 2 of Appendix B of the Collaboration and Fee Sharing Agreement).

12.2 The indemnity in clause 12.1 shall cease to apply upon the Company or a member of the Buyer's Group entering into advisory agreements (on terms no less favourable than the terms set out in paragraph 2 of Appendix B of the Collaboration and Fee

Sharing Agreement) in respect of the Company's advice to such persons relating to PointGrab, Inc. with each of Zoom Growth Investment Ltd, Vaisori Limited and Victoria System Holding Ltd or upon the Company or a member of the Buyer's Group declining to enter into any such advisory agreements.

- 12.3 The Seller shall on demand indemnify the Buyer and other members of the Buyer's Group against any losses, liabilities, costs or expenses suffered or incurred by the Buyer or any other member of the Buyer's Group as a result of the Sale Shares not being fully paid as to their nominal capital; provided that this indemnity shall cease to apply upon the registration by Companies House of the Company's solvency statement, written resolution and statement of capital each dated 28 July 2020 (which documents reduce the nominal capital of each ordinary share of the Company from £1.00 to £0.01).

### **13 Books and Records**

- 13.1 The Seller shall at Completion deliver to the Buyer all originals of the Books and Records which relate exclusively to the business carried on by the Company as at Completion and which is not already in the possession of the Company.
- 13.2 For a period of six years following Completion, the Seller shall maintain and provide on request, copies to the Buyer of any Books and Records belonging to the Seller (which do not exclusively relate to the business carried on the Company as at Completion).

### **14 Remedies and waivers**

- 14.1 A waiver of any term, provision or condition of, or consent granted under, this Agreement shall be effective only if given in writing and signed by the waiving or consenting Party and then only in the instance and for the purpose for which it is given.
- 14.2 No delay or failure by a Party to exercise any of its powers, rights or remedies under this Agreement (or any Transaction Document) or provided by law shall affect that right, power or remedy, or operate as a waiver of it.
- 14.3 The single or partial exercise of any such power, right or remedy provided by law or under this Agreement (or any Transaction Document) shall not, unless expressly stated, preclude any other or further exercise of them or the exercise of any other right, power or remedy.
- 14.4 The remedies provided in this Agreement are cumulative and not exclusive of any remedies provided by law.

### **15 Assignment**

- 15.1 The Seller agrees that the benefit of any provision in this Agreement may be assigned by the Buyer and its successors in title without the consent of the Seller.
- 15.2 Any attempted or purported assignment, transfer, declaration of trust, sub-contract or other transaction in violation of this clause 15 shall be void *ab initio*.

- 15.3 No Party shall have any liability to any assignee or transferee of any rights under this Agreement that is greater than the liability which that Party would have had to the Party which made the assignment or transfer.
- 15.4 This Agreement shall be binding on, and enure to the benefit of, the Parties to this Agreement and their respective personal representatives, successors and permitted assigns, and references to any Party shall include that Party's personal representatives, successors and permitted assigns.

## **16 Guarantee**

- 16.1 In consideration of the Buyer agreeing to purchase the Sale Shares on the terms set out in this Agreement, the FM Guarantor (as primary obligor and not merely as surety) hereby irrevocably and unconditionally:
- 16.1.1 guarantees to the Buyer (on behalf of each member of the Buyer's Group) the full, prompt and complete performance by the Seller of all its obligations under or pursuant to this Agreement and the Transaction Documents;
- 16.1.2 undertakes to the Buyer that whenever the Seller does not pay any amount when due under or in connection with this Agreement or the Transaction Documents, that it shall immediately on demand pay that amount (together with interest under clause 19 from such due date until payment by the FM Guarantor) to the person entitled to the payment as if it were the principal obligor; and
- 16.1.3 agrees, as an additional and independent obligation, to indemnify and keep indemnified the Buyer on demand, as principal debtor, on an after-Tax basis from and against any cost, loss or liability incurred by the Buyer as a result of any breach by the Seller of any of its obligations under or pursuant to this Agreement or the Transaction Documents or as a result of any of the obligations of the Seller under or pursuant to this Agreement or the Transaction Documents being or becoming void, voidable, unenforceable, ineffective or illegal for any reason whatsoever, whether or not known to the Buyer, provided that the amount of any such cost, loss or liability shall be equal to the amount which the Buyer would otherwise have been entitled to recover from the Seller or the FM Guarantor. For the avoidance of doubt the FM Guarantor shall not be obliged to pay any sums to the Buyer under this clause 16.1.3 should such payment be considered illegal.

- 16.2 The guarantee contained in this clause 16 is a continuing guarantee and shall remain in force until all the obligations of the Seller under this Agreement or the Transaction Documents have been fully performed and all sums payable by the Seller have been fully paid, regardless of any intermediate payment or discharge in whole or in part.
- 16.3 The obligations of the FM Guarantor shall not be affected by any act, omission, matter or thing which, but for this provision, might operate to reduce, release or otherwise exonerate the FM Guarantor from its obligations or affect such obligations.
- 16.4 This clause 16 may be enforced by the Buyer without the Buyer first taking any steps or proceedings against the Seller.
- 16.5 All sums payable by the FM Guarantor under this clause 16 shall be paid free and clear of all deductions or withholdings whatsoever, except as required by law.
- 16.6 Any payment by the FM Guarantor under clause 16.1.2 shall be increased by such amount (if any) as is necessary to ensure that, after taking account of:
- 16.6.1 any Tax (or amount in respect of Tax) required to be deducted or withheld from the payment; and
- 16.6.2 any other Tax chargeable as a result of the making or receipt of the payment,
- the person entitled to the payment is left with the same net amount as it would have had if the relevant amount which should have been (but was not) paid by the Seller had actually been paid by the Seller in accordance with its obligations to pay that amount.

## **17 Invalidity**

- 17.1 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair:
- 17.1.1 the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or
- 17.1.2 the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Agreement.
- 17.2 If any provision of this Agreement is so found to be invalid, illegal or unenforceable but would be valid, legal or enforceable if some part of the provision were modified or deleted, the provision in question shall apply with such deletion(s) of modification(s) as may be necessary to make it valid and enforceable.

## **18 Costs and expenses**

- 18.1 Except as otherwise stated in this Agreement, each Party shall bear its own costs and expenses incurred in the negotiation, preparation, execution, implementation and enforcement of this Agreement and in relation to the satisfaction of the Conditions except that this clause shall not prejudice the right of any Party to seek to recover its costs in any litigation or dispute resolution procedure which may arise out of this Agreement.

- 18.2 Upon termination of this Agreement pursuant to clauses 3.5, 4.6 or 8.4, and provided that the Independent Directors have not changed their recommendation to vote in favour of the Buyer Resolutions and provided that a third party offer for the Buyer has not become wholly unconditional, the Buyer shall pay the Seller on demand the amount of £26,400 to such account as the Seller may notify in writing.

## **19 Default Interest**

If a Party, or in the Seller's case, the FM Guarantor, fails to pay any sum payable by them under this Agreement on the date due for payment, they shall pay interest on that sum for the period from and including the due date up to the date of actual payment (after as well as before judgment) at 3 per cent above the base rate of Barclays Bank Plc, which interest shall accrue from day to day and be compounded monthly. Any exercise by a Party of its rights under this clause is without prejudice to any other rights or remedies available to that Party under this Agreement or otherwise.

## **20 Payments**

- 20.1 Each payment to be made under this Agreement or the Tax Deed shall be made in sterling by transfer of the relevant amount into such account as the relevant Party shall, not less than three Business Days before the date that payment is due, have specified by giving written notice to the other relevant Parties for the purpose of that payment.
- 20.2 All payments due under this Agreement will be made by electronic transfer of immediately available funds without any set-off, restriction or conditions and without any deduction or withholding whatsoever being made under or in respect of this Agreement or any Transaction Document (except as required by law).

## **21 Entire agreement**

- 21.1 Each of the Parties acknowledges and agrees that this Agreement and the Transaction Documents constitute the entire agreement and understanding between the Parties with respect to its/their subject matter and supersede any previous agreement between the Parties in relation to their subject matter.
- 21.2 Each of the Parties acknowledges and agrees that it has not entered into this Agreement in reliance on any statement, arrangement, warranty or representation of any nature whatsoever of any person (whether a Party to this Agreement or not and whether or not in writing) other than as expressly incorporated in this Agreement or the Transaction Documents.
- 21.3 Each of the Parties irrevocably and unconditionally waives any right or remedy it may have to claim damages and/or to rescind this Agreement by reason of any misrepresentation (other than a fraudulent misrepresentation) not contained in this Agreement or the Transaction Documents.
- 21.4 Nothing in this clause 21 shall have the effect of limiting any liability arising from wilful misconduct, wilful concealment, deliberate non-disclosure or fraud.



## **22 Variation**

Except as otherwise permitted by this Agreement, no change to its terms shall be effective unless it is in writing and signed by or on behalf of each of the Parties.

## **23 Partnership**

Nothing in this Agreement shall create or be deemed to create a partnership or joint venture of any kind or the relationship of principal and agent or employer and employee between any of the Parties and no Party shall be responsible for the acts or omissions of the employees or representatives of the other Parties.

## **24 Further assurance**

24.1 Upon demand by a Party, the other Parties will at their own cost and expense execute or procure the execution of all documents, in a form reasonably satisfactory to that Party as that Party may reasonably consider necessary for giving full effect to this Agreement and the Transaction Documents and securing to that Party the full benefit of the rights, powers and remedies conferred upon that Party in this Agreement and the Transaction Documents and:

24.1.1 where that Party is the Buyer, shall do all such acts and things as the Buyer shall reasonably require for the purpose of vesting in the Buyer the full legal and beneficial title to the Sale Shares and otherwise giving the Buyer the full benefit of this Agreement and the Transaction Documents; and

24.1.2 where that Party is the Seller, shall do all such acts and things as the Seller shall reasonably require for the purpose of vesting in the Seller the full legal and beneficial title to the Consideration Shares and otherwise giving the Seller the full benefit of this Agreement and the Transaction Documents.

## **25 Effect of Completion**

Any provision of this Agreement or the Transaction Documents which is capable of being performed after but which has not been performed at or before Completion, and all Warranties, indemnities, covenants and other undertakings contained in or entered into pursuant to this Agreement, shall remain in full force and effect notwithstanding Completion.

## **26 Confidentiality**

26.1 Subject to clauses 26.2 and clause 27 (Announcements) the Parties shall treat as confidential and not disclose or use any information:

26.1.1 received or obtained as a result of entering into or performing this Agreement or any of the Transaction Documents that relates to the provisions of, or the negotiations relating to, this Agreement or the Transaction Documents;

26.1.2 concerning the Seller or any member of the Buyer's Group obtained or received as a result of the negotiation or entering into of this Agreement or the Transaction Documents; or

26.1.3 retained after Completion concerning the Company.

- 26.2 Notwithstanding the other provisions of this clause 26, the Seller may disclose or use any such confidential information:
- 26.2.1 to the extent it is or becomes generally available to the public other than as a result of its disclosure by the Seller in breach of this Agreement;
  - 26.2.2 to the extent it was, is or becomes available to the Seller on a non-confidential basis from a person who, to the Seller's knowledge, is not bound by a confidentiality agreement or otherwise prohibited from disclosing the information to the Seller;
  - 26.2.3 to the extent required by applicable law or for the purposes of any judicial proceedings;
  - 26.2.4 to the extent required by any securities exchange or regulatory or governmental body to which the Seller is subject or submits, wherever situated, whether or not the requirement for information has the force of law;
  - 26.2.5 to a Tax Authority;
  - 26.2.6 to the extent required to vest the full benefit of this Agreement and the Transaction Documents in the Seller;
  - 26.2.7 to the extent the Buyer has given prior written consent to such disclosure;
  - 26.2.8 to its directors, officers and employees, on a strictly confidential and need to know basis, provided that the disclosing party ensures that each such person is made aware of the restrictions imposed by this clause 26 and ensures that such person strictly complies with that party's obligations under this clause 26 as if those obligations were directly imposed on that person;
  - 26.2.9 to its professional advisers, auditors and bankers on a need to know basis and provided they have a duty to keep such information confidential.
- 26.3 The restrictions contained in this clause 26 shall continue to apply after Completion or the termination of this Agreement without limit in time.
- 26.4 The Parties acknowledge and agree that a person with rights under this clause 26 may be irreparably harmed by any breach of its terms or breach of confidence and damages alone may not be an adequate remedy. Accordingly, without prejudice to any other rights and remedies it may have, such Party may be entitled to the granting of injunctive relief, specific performance or any other equitable relief concerning any threatened or actual breach of any of the provisions of this clause 26.

## **27 Announcements**

- 27.1 Subject to clause 27.2, no announcement, circular or similar public communication in connection with this Agreement, the Transaction Documents or any matter arising from the agreement or the Transaction Documents shall be made or issued by or on behalf of the Seller or the Company without the prior written consent of the Buyer which shall not be unreasonably withheld.

27.2 The restrictions in clause 27.1 shall not apply to any statement which is required to be made by law or by any applicable regulatory body or governmental body to which such Party is subject provided that such statement is issued only after prior consultation with the Buyer (to the extent such consultation is reasonable and practicable in the circumstances).

27.3 The restrictions in this clause shall apply after Completion or termination of this Agreement without limit in time.

## **28 Counterparts**

28.1 This Agreement may be executed in any one or more number of counterparts each of which, when executed, shall be deemed to form part of and together constitute this Agreement.

28.2 Delivery of an executed counterpart sent by email (in PDF or similar file format) shall take effect as delivery of an executed counterpart of this Agreement. If this method is adopted, without prejudice to the validity of such agreement, each Party shall provide the others with the original of such page as soon as reasonably practicable thereafter.

## **29 Notices**

29.1 Any notice given to a Party under or in connection with this Agreement (unless otherwise expressly provided for in this Agreement) shall be in writing in English and sent to the Party, by a method set out in clause 29.3, at the address or the email address, and for the attention of the contact, as set out in the following table:

<b>Party</b>	<b>Contact</b>	<b>Address</b>	<b>email address</b>
The Buyer	John Clarkson	C/O Wilkins Kennedy LLP Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Buckinghamshire, HP6 6FA	john.clarkson@netscientific.net
Seller	Ilian Iliev	10 Jesus Lane, Cambridge, United Kingdom CB5 8BA  Copy to: 3 Bunhill Row, London EC1Y 8YZ	ilianpiliev@gmail.com  Copy to: ehoooper@towers.com
FM Guarantor	Ilian Iliev	Flat 37, New Atlas Wharf, 3 Arnhem Place, London, E14 3SS	ilianpiliev@gmail.com  Copy to: ehoooper@towers.com

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29.2 A Party may change its details in the table above, by notice in writing to the other Parties in accordance with this clause 29, the change taking effect at 9.00am on the later of:

29.2.1 the date, if any, specified in the notice as the effective date for the change;  
or

29.2.2 the date two Business Days after deemed receipt of the notice.

29.3 The following table sets out the methods by which a notice may be sent and the corresponding deemed delivery date and time:

<b>Delivery method</b>	<b>Deemed delivery date and time</b>
Delivery by hand	At the time the notice is left at the address of the relevant Party.
Commercial courier	On signature of the courier's delivery receipt at the address of the relevant Party.
Pre-paid first class, recorded or special delivery post or other next working day delivery service providing proof of delivery	At the time recorded by the delivery service.
Pre-paid airmail providing proof of delivery	At the time recorded by the delivery service.
Email	At 9.00 am on the next Business Day after transmission.

If deemed receipt would occur after 5.00pm or on a day which is not a Business Day, deemed receipt is deemed to take place at 9.00 am on the next Business Day.

29.4 This clause 29 does not apply to the service of any proceedings or other documents in any legal action, arbitration or other method of dispute resolution.

### **30 Third Party rights**

The Parties to this Agreement do not intend any of its terms to be enforceable pursuant to the Contracts (Rights of Third Parties) Act 1999 by any person who is not a Party to this Agreement.

### **31 Governing law and jurisdiction**

31.1 This Agreement and any non-contractual obligations arising from or in connection with it shall in all respects be governed by and interpreted in accordance with English law.

31.2 The Parties agree that the courts of England are to have exclusive jurisdiction over any dispute:

31.2.1 arising from or in connection with this Agreement; or

31.2.2 relating to any non-contractual obligations arising from or in connection with this Agreement.

## **32 Language**

The language of this Agreement and the transactions envisaged by it is English and all notices to be given in connection with this Agreement must be in English. All demands, requests, statements, certificates or other documents or communications to be provided in connection with this Agreement and the transactions envisaged by it must be in English or accompanied by a certified English translation; in this case the English translation prevails unless the document or communication is a statutory or other official document or communication.

## **33 Power of attorney**

33.1 This power of attorney shall take effect in respect of the Seller immediately upon Completion having occurred in accordance with this Agreement. If Completion does not occur, or this Agreement terminates in accordance with its terms, this power of attorney shall have no force or effect in respect of the Seller whatsoever.

33.2 To secure the Buyer's interests in the Sale Shares, but subject always to clause 33.1, the Seller irrevocably and by way of security appoints the Buyer, with effect from Completion, as its true and lawful attorney, with authority on its behalf and in its name or otherwise, to exercise, in its absolute discretion, all or any rights, powers and privileges attaching to the Sale Shares or otherwise capable of being exercised by the registered holder of the Sale Shares, and for such purpose to do all such acts, and things whatsoever and to execute, sign, deliver, negotiate, amend and/or approve all such deeds and other documents as the Buyer shall in its absolute discretion consider necessary or desirable pending registration of the Sale Shares into the name of the Buyer, including all or any of the following (in each case in such manner and on such terms as the Buyer in its absolute discretion shall think fit):

33.2.1 receiving notice of, attending, participating in and directing the exercise of any voting rights attaching to the Sale Shares at any general meeting, class meeting or any other meeting of the Company, and at all or any adjournments of such meetings;

33.2.2 approving, completing, signing, executing, delivering and returning proxy cards, consents to short notice, requisitions of any meeting or any other documents in connection with any general meeting, class meeting or any other meeting of the Company, including all or any adjournments of such meetings;

33.2.3 signing, executing and delivering any written resolution, agreement of the members of the Company or any other document capable of being signed or executed by the registered holder of the Sale Shares;

- 33.2.4 receiving any communications which the Company despatches to its members;
  - 33.2.5 directing the payment of and receiving all dividends or other distributions declared paid or made; and
  - 33.2.6 signing, endorsing or otherwise executing and delivering all receipts, dividend and interest warrants, cheques, releases, discharges or other documents or instruments whatsoever that the Buyer may consider necessary or desirable in the circumstances.
- 33.3 the Seller undertakes:
- 33.3.1 not to exercise any of the rights, powers or privileges attaching to the Sale Shares or otherwise capable of being exercised by the registered holder of the Sale Shares or conferred on the Seller by this clause 33, without the prior written consent of the Buyer;
  - 33.3.2 to hold the Sale Shares on trust for the Buyer as beneficial owner;
  - 33.3.3 to promptly notify the Buyer of, and deliver to the Buyer, anything received in its capacity as the registered holder of the Sale Shares after Completion; and
  - 33.3.4 to act promptly in accordance with the Buyer's instructions in relation to any rights exercisable or anything received by it in its capacity as registered holder of the Sale Shares.
- 33.4 All acts done and documents executed or signed by the Buyer in good faith in the purported exercise of any power conferred by this power of attorney shall for all purposes be valid and binding on the Seller and its successors and the Seller undertakes and agrees to ratify all such acts done and documents executed and signed.
- 33.5 If any distribution is made in respect of any of the Sale Shares by the Company following the date of Completion but prior to the registration of the Shares in the name of the Buyer in the register of members of the Company, the Seller shall direct the Company to make such distribution to the Buyer and, in the event that the Seller receives any distribution notwithstanding the foregoing, it agrees and acknowledges that it shall hold such distribution on trust for the Buyer and shall pay an amount equal to the distribution to the Buyer as soon as reasonably practicable.
- 33.6 The Seller declares that a person who deals with the Buyer in good faith may accept a written statement signed by the Buyer to the effect that this power of attorney has not been revoked as conclusive evidence of that fact.
- 33.7 The power of attorney granted under this clause 33 shall terminate on the registration of the Sale Shares in the name of the Buyer in the register of members of the Company.

This Agreement has been executed and delivered as a deed on the date first stated on page 1 above.

## Schedule 1

### Details of the Company

Country of incorporation	England and Wales		
Company number	11412783		
Date of incorporation	13 June 2018		
Registered office	One Canada Square Level 39, One Canada Square, London, United Kingdom, E14 5AB		
Issued share capital	10,000 Ordinary Shares of £1.00 each		
Shareholder(s)	No. and class of Sale Shares	Registered holder	Beneficial owner
	10,000 Ordinary Shares	Futura Messis Group Ltd	NA
Directors	Ilian Iliev		
Secretary	NA		
Auditors	NA		
Accounting reference date	30 June		
Registered charges	NA		



## **Schedule 2**

### **Completion**

#### **Part A – Seller's obligations**

- 1 At Completion the Seller shall deliver to the Buyer or the Buyer's Solicitors:
  - 1.1 a transfer in common form in respect of the Sale Shares duly executed in favour of the Buyer, accompanied by the share certificates relating to the Sale Shares (or appropriate indemnities for any lost certificates) together with any power of attorney or other authority under which the transfer has been executed;
  - 1.2 a letter, in agreed form, from Ilian Iliev confirming that he has ceased to be a registrable person (within the meaning of section 790C of the Act) in relation to the Company;
  - 1.3 the electronic access codes for the company books and confirmation of where the hard copies (if any) are held and cheque books of the Company;
  - 1.4 the Disclosure Letter duly executed by the Seller;
  - 1.5 a copy of the minutes of the meeting referred to in paragraph 1.6 of Part A of Schedule 2;
  - 1.6 the resolutions of the sole director of the Company resolving (subject only to Completion) that:
    - 1.6.1 the transfer relating to the Sale Shares shall be approved for registration and (subject only to the transfer being duly stamped) the transferee registered as the holder of the Sale Shares concerned in the register of members; and
    - 1.6.2 each of the persons nominated by the Buyer shall be appointed directors and/or secretary, as the Buyer shall direct such appointments to take effect on the Completion Date; and
  - 1.7 the Tax Deed, duly executed by the Seller.

#### **Part B – Buyer obligations**

- 2 At Completion the Buyer shall:
  - 2.1 deliver to the Seller a certified copy of the resolutions of the Buyer's board of directors approving Completion, the allotment and issue of the Consideration Shares to the Seller (or its nominee) in accordance with this Agreement and the execution and delivery of the Relationship and Lock-Up Agreement;
  - 2.2 deliver to the Seller the duly executed share certificate/holding statement in respect of the Consideration Shares in accordance with the Agreement and procure the entry of the Seller's (or its nominee) name in the Buyer's register of members as the holder of the Consideration Shares;

- 2.3 deliver to the Seller's Solicitors the Tax Deed and the Disclosure Letter each duly executed by the Buyer; and
- 2.4 pay on behalf of the Seller the fees of the Seller's Solicitors in accordance with the engagement letter between the Seller and the Seller's Solicitors, a copy of which has been supplied to the Company, plus their disbursements and VAT (subject to compliance with laws relating to financial assistance).

## **Schedule 3**

### **Warranties**

#### **1 Solvency**

- 1.1 No order has been made, petition presented or resolution passed for the winding up of the Seller and no meeting has been convened for the purpose of winding up the Seller and no steps have been taken by the Seller nor, so far as the Seller is aware, by any other person for the appointment of an administrator or receiver (including an administrative receiver) of all or any part of the assets of the Seller and the Seller has not made or proposed any arrangement or composition with its creditors, or any class of its creditors, and the Seller is able to pay its debts as they fall due.

#### **2 The Company and the Seller**

- 2.1 The details shown in Schedule 1 relating to the Company are accurate and complete in all material respects.
- 2.2 The Sale Shares represent the entire allotted and issued share capital of the Company and are fully paid up.
- 2.3 The Seller is beneficially entitled to or are otherwise able to procure the sale and transfer of the Sale Shares and the full legal and beneficial ownership of the Sale Shares on the terms of this Agreement free from any Encumbrance and no consent of any third party is required in relation to such sale and transfer.
- 2.4 The Company does not have any subsidiary undertaking.
- 2.5 No right has been granted to any person to require the Company to issue any share or loan capital.
- 2.6 The Company does not have an interest in any share in or other security of or investment in any body corporate or in any business organisation nor has it agreed to, or has the right to, acquire any such interest.
- 2.7 The Company does not have any branch, division, agency, place of business, operation or substantial assets outside the United Kingdom.
- 2.8 There is not outstanding indebtedness or other liability (actual or contingent) owing by the Company to the Seller or to any person connected with the Seller nor is there any indebtedness or other such liability outstanding to the Company by any such person.

#### **3 Accounts**

##### **3.1 General**

The Accounts:

- 3.1.1 have been prepared in accordance with the law and applicable principles, standards and practices generally accepted in the United Kingdom; and
- 3.1.2 show a true and fair view of the assets and liabilities of the Company and of the profits and losses for the Company for the financial period ended on the Last Accounting Date.

### 3.2 **Accounting records**

So far as the Seller is aware, the Company's accounting records are up-to-date in all material respects, in its possession or under its control, and accurately completed in accordance with applicable law.

### 3.3 **Management Accounts**

The Management Accounts:

- 3.3.1 have been prepared in good faith and on a consistent basis in accordance with the preparation of the historic management accounts of the Company; and
- 3.3.2 do not materially overstate the profit and loss of the Company and in all material respects reasonably represent the assets of the Company, as at the date to which they were prepared.

### 3.4 **Locked Box Accounts**

- 3.4.1 The Locked Box Accounts have been prepared with due care and attention and on a basis consistent with that used in preparing the Accounts.
- 3.4.2 The Locked Box Accounts do not:
  - (a) materially misstate the assets or liabilities of the Company as at the Locked Box Accounts Date;
  - (b) materially misstate the profits or losses of the Company in respect of the period to which they relate; or
  - (c) omit any material item.
- 3.4.3 As at the Locked Box Accounts Date, the level of debtors was not influenced in any material respect by calling in debtors in advance of the usual debtor days, and the level of creditors was not influenced in any material respect by paying creditors outside of the usual creditor days.

## 4 **Events since the Last Accounting Date**

Since the Last Accounting Date:

- 4.1 there has been no material adverse change in the financial or trading position or prospects of the Company;

- 4.2 the business of the Company has been carried on in the ordinary and usual course of business and so as to maintain the same as a going concern;
- 4.3 the Company has not entered into or agreed to enter into any capital commitments exceeding £50,000 in the aggregate or £25,000 in the case of any one commitment;
- 4.4 the Company has not acquired or disposed of, or agreed to acquire or dispose of, any material asset (other than in the ordinary course of business);
- 4.5 no dividends, bonuses or other distributions have been paid or declared by the Company (except as provided for in the Accounts);
- 4.6 no share or loan capital of the Company has been allotted, issued, redeemed or purchased, or agreed to be allotted, issued, redeemed or purchased, and the Company has not undergone any capital reorganisation or change in its capital structure;
- 4.7 the Company has not changed its accounting reference date; and
- 4.8 no shareholders' resolution has been passed or circulated by the Company (or any class of its members) since the filing of the last confirmation statement.

## **5 Indebtedness**

- 5.1 There are no loans issued by the Company to any third parties.
- 5.2 Details of all overdrafts, loans or other financial facilities outstanding or available to the Company have been provided to the Buyer.
- 5.3 No person has given any guarantee, indemnity or security to any person in support of any overdraft, loan or other facilities available to the Company.
- 5.4 The Company has not received any grant, subsidy or financial assistance from any government department or other body which may be repayable following Completion.
- 5.5 The Company is not party to or liable under a guarantee, indemnity or other agreement to secure or incur a financial or other obligation with respect to another person's obligations.

## **6 Tax**

- 6.1 The Company has paid all Tax which it has become liable to pay and which has fallen due for payment and the Company is not liable to pay any interest, fine, penalty or surcharge in connection with any Tax.
- 6.2 The Company has not incurred any liability to corporation tax on deemed (as opposed to actual) income, profits or gains.

- 6.3 The Company has not been party to any transaction where the consideration given or received is deemed for Tax purposes to be different from that actually given or received.
- 6.4 The Company has not been involved in any dispute with any Tax Authority (other than routine enquiries of a minor nature) and, so far as the Seller is aware, there are no circumstances which make it likely that any such dispute will commence.
- 6.5 The Company has within applicable time limits made all returns and registrations, given all notices and supplied all information as were required to be made, given or supplied for all Tax purposes; and all such returns, notices and information and registrations were complete and accurate in all material respects and, so far as the Seller is aware, remain complete and accurate in all material respects.
- 6.6 The Company has in its possession and control such records and documentation which are required by law to be held, preserved or retained for any Tax purposes. So far as the Seller is aware, the Company has sufficient records to enable it to accurately calculate its liability to Tax.
- 6.7 The Company is resident for Taxation purposes solely in the United Kingdom and does not for any Tax purpose have a branch, agency, place of business or permanent establishment outside of the United Kingdom.
- 6.8 The Company has made all withholdings deductions and retentions of or on account of Tax as required by law and has accounted in full to the appropriate Tax Authority in respect of such deductions or retentions.
- 6.9 The Company is duly registered for VAT purposes and has complied in all material respects with its obligations in respect of VAT.
- 6.10 All documents on which stamp duty is chargeable and by virtue of which the Company has any right or which the Company may wish to rely on to prove title to any assets have been duly stamped.
- 6.11 The Company has not knowingly been a party to, or otherwise involved in, any transaction, scheme or arrangement designed wholly or mainly for the purposes of avoiding Tax or obtaining a Tax advantage.
- 6.12 So far as the Seller is aware, neither the execution nor performance of this Agreement or of any of the transactions contemplated (including Closing) will result in any Tax liability on the Company.
- 6.13 There are no shares or securities (or interests in, rights over, rights to acquire or options in respect of any shares or securities) in respect of which the Company could, after Completion incur any liability to account for income tax through the PAYE system or any national insurance contributions.

## 7 **Property**

- 7.1 Other than its registered office at One Canada Square Level 39, One Canada Square, London, United Kingdom, E14 5AB, the Company does not have any interest in or liability (whether actual or contingent) for any real estate and does not use or occupy any real estate.
- 7.2 The Company is not in arrears with respect to any rents which are due for payment.
- 7.3 The Company has no contingent liability in relation to any leasehold property.

## 8 **Health and safety**

- 8.1 So far as the Seller is aware, the Company is operating the business in material compliance with all Health and Safety Law and the Company has not received any written notice, warning or communication of any kind stating that a breach of or liability under any Health and Safety Law has occurred or is threatened.

## 9 **Assets**

- 9.1 Each material asset included in the Accounts or acquired by the Company since the Last Accounting Date and each material asset used by the Company is:
  - 9.1.1 free from any Encumbrance; and
  - 9.1.2 where capable of possession, in the possession or under the control of the Company.

## 10 **Contracts**

- 10.1 No material supplier or customer of the Company has during the last 12 months ceased or given notice in writing to the Company indicating an intention to cease trading with or materially reduce its supplies to the Company.
- 10.2 The Company is not a party to any:
  - 10.2.1 mortgage, charge, pledge, assignment by way of security, lien, debenture or other security document of any nature;
  - 10.2.2 distributorship arrangement, franchising arrangement, joint venture, partnership or consortium agreement or shareholders' arrangement;
  - 10.2.3 contract which is not on arm's length commercial terms or is outside the ordinary course of business;
  - 10.2.4 contract which involves or is likely to involve the supply of goods or services the aggregate sales value of which shall represent in excess of ten per cent. of the turnover for the preceding financial year of the Company; or

- 10.2.5 contract which if terminated, would be materially detrimental to the Company's ability to operate the business in the same manner as it has been operated in the year prior to the date of this Agreement.
- 10.3 So far as the Seller is aware, the Company is not in breach of its obligations under any contract referred to in paragraph 10.2 above and, so far as the Seller is aware, the other parties to such contracts are not in breach or default of any material term under them.
- 10.4 No power of attorney has been granted by the Company which may be effective or in force at any time after the date of this Agreement.
- 10.5 Other than as included in the Data Room, there is no agreement or arrangement to which the Company is party and in which the Seller, a director of any member of the Seller or a person connected with any of them is interested in any way. The Company does not owe any obligation to, nor does it have any contractual or other arrangements of any sort with the Seller or any of its connected persons.

## **11 Conduct of business and compliance**

### **Compliance with law**

- 11.1 So far as the Seller is aware, the Company and all of its directors, officers and employees (during the course of their duties in relation to the Company) have complied with all applicable laws of England in all material respects.
- 11.2 There are not pending or in existence any investigations or enquiries by or on behalf of any governmental or other body in respect of the affairs of the Company. To the best of the Seller's knowledge, information and belief, no fact or circumstance exists which might give rise to an investigation or enquiry of that type.

### **Compliance with Permits**

- 11.3 So far as the Seller is aware, all Permits material to and necessary for the operation of the Business in the places and in the manner in which the Business is now carried on are subsisting and the Company has not received any written notice indicating that any of the Permits has not been complied with.
- 11.4 So far as the Seller is aware, there is not pending or in existence any investigation or enquiry by, or on behalf of, any governmental or other body in respect of the affairs of the Company.

### **Anti-corruption**

- 11.5 The Company has not engaged in any activity, practice or conduct which would constitute a material offence under the Bribery Act 2010.

### **Data protection**



- 11.6 So far as the Seller is aware:
- 11.6.1 the Company has not received a written notice from the Information Commissioner alleging breach by it of the Data Protection Act 1998;
  - 11.6.2 no individual has been awarded compensation from the Company under the Data Protection Act 1998;
  - 11.6.3 no order has been made against the Company for the rectification, blocking, erasure or destruction of any data under the Data Protection Act 1998; and
  - 11.6.4 no warrant has been issued under Schedule 9 of the Data Protection Act 1998 authorising the Information Commissioner to enter any of the premises of the Company.

## 12 **Intellectual Property**

- 12.1 The Company does not own any registered Intellectual Property.
- 12.2 The Company does not infringe any Intellectual Property of any third party.

## 13 **Employment**

- 13.1 The Employees are the only employees of the Company.
- 13.2 The Buyer has been provided with copies of the employment contracts for the Employees.
- 13.3 The Company has, in relation to each of its officers and employees:
  - 13.3.1 materially complied with its statutory and contractual obligations;
  - 13.3.2 maintained materially complete and accurate records; and
  - 13.3.3 conducted adequate immigration checks.
- 13.4 None of the Employees of the Company have given notice terminating his or her contract of employment or engagement, and none of the Employees of the Company is under notice of dismissal.
- 13.5 No dispute has arisen within the last two years between the Company and any of its employees or officers, former employees or officers or prospective employees and, so far as the Seller is aware, there are no present circumstances which are likely to give rise to any such dispute.
- 13.6 The Company has not formally recognised a trade union and the Company is not party to any agreement with any trade union in respect of its employees.

## 14 **Litigation**

- 14.1 The Company is not involved, nor has during the twelve months ending on the date of this Agreement been involved, in a civil, criminal, arbitration,

administrative or other dispute resolution proceeding (together the "**Proceedings**").

- 14.2 The Company has not received any written notice that material Proceedings are pending or threatened against the Company or given any written notice of its intention to start material Proceedings against any other person.
- 14.3 There is no outstanding or unsatisfied judgment, decree, order, award or decision of a court, tribunal, arbitrator or governmental agency against the Company (or any person for whose acts the Company is vicariously liable) and the Company (or any person for whose acts the Company is vicariously liable) is not party to any undertaking or assurance given to a court, tribunal or any other person in connection with the determination or settlement of any claim or proceedings.

## 15 **Insolvency, winding up etc**

- 15.1 No order has been made and no resolution has been passed for the winding up of the Company and, so far as the Seller is aware, no petition has been presented for the purposes of winding up the Company.
- 15.2 No administration order has been made and, so far as the Seller is aware, no petition or application for such an order has been made or presented and no administrator has been appointed and, so far as the Seller is aware, no procedure has been commenced with a view to the appointment of an administrator in relation to the Company.
- 15.3 So far as the Seller is aware, no receiver or administrative receiver where appropriate has been appointed of the whole or any part of any of the property, assets and/or undertaking of the Company.
- 15.4 So far as the Seller is aware, no composition in satisfaction of the debts of the Company, or scheme of arrangement of its affairs, or voluntary arrangement under Part 1 of the Insolvency Act 1986 has been proposed.
- 15.5 So far as the Seller is aware, no event analogous to any of the circumstances in any sub-paragraphs 15.1 to 15.4 has occurred in relation to the Company outside England and Wales.
- 15.6 The Company is able to pay its debts within the meaning of section 123 of the Insolvency Act 1986.

## 16 **Insurances**

- 16.1 A list of all current insurance policies of the Company (the "**Policies**") has been disclosed to the Buyer and all premiums due on such Policies have been paid. So far as the Seller is aware all such Policies are subsisting and in force.
- 16.2 There are no outstanding claims under the Policies.

## **Schedule 4**

### **Action pending Completion**

- 1      Until Completion, the Seller shall ensure that the Company will:
  - 1.1      not create, allot, issue or grant any option over or other right to subscribe for or purchase or redeem, buy back, sub-divide, consolidate, re-denominate, convert, repay, cancel, reduce or alter the rights attaching to any share or loan capital or securities or agree, arrange or undertake to do any of those things;
  - 1.2      not pass a shareholders' resolution or alter its constitutional documents or capital structure;
  - 1.3      not acquire (whether by one or a series of transactions) or dispose of (whether by one or a series of transactions), or agree to acquire or dispose of, any part of the business undertaking or assets except in the usual course of its business and on arms' length terms;
  - 1.4      not acquire the shares or any other interest in any person or merge or consolidate with any person or participate in any kind of corporate reconstruction;
  - 1.5      not, other than in the ordinary course of business, enter into, amend or terminate any joint venture, partnership or other similar profit sharing arrangement;
  - 1.6      not, other than in the ordinary course of business, enter into, amend, assign, terminate or waive any rights under, any individual arrangement, contract or commitment (whether written or unwritten) relating to or affecting a material part of its business;
  - 1.7      not make, or agree to make, capital expenditure exceeding in total £50,000 (or its equivalent at the time) or incur, or agree to incur, a liability, obligation or expense commitment or commitments (actual or contingent) involving capital expenditure exceeding in total £50,000 (or its equivalent at the time);
  - 1.8      not declare, authorise, pay or make a dividend or distribution or other distribution of a similar nature or taxed in the same way as a dividend;
  - 1.9      not (i) make any claim or election relating to Tax the making of which is not reflected in the Accounts and (ii) not submit to any Tax Authority any corporation tax return prior to the last date on which it may be submitted without the Buyer's written consent and without incurring interest or penalties;
  - 1.10      not create or grant any option, right to acquire, mortgage, charge, pledge, lien (other than lien arising by operation of law) or other form of security or Encumbrance or equity on, over or affecting the whole or any part of its undertaking or assets or any of the Sale Shares other than rights arising under retention of title clauses in the ordinary course of business;

- 1.11 not offer to engage any new employee or consultant at an annual salary or fee per employee or consultant (on the basis of full time employment or consultancy) in excess of £50,000 per annum;
- 1.12 not dismiss any of the Employees, other than for cause or unless not to do so would damage the business of the Company;
- 1.13 not make any material amendment, including increasing emoluments (including, without limitation, salary, pension contributions, bonuses, commissions, share or other incentive schemes, redundancy terms and benefits in kind), to the terms of employment of any category of employees;
- 1.14 not induce, or attempt to induce, any of the employees of the Company, whether directly or indirectly to terminate their employment;
- 1.15 save as regards a UK Government Bounce Back Loan Scheme application, not amend, or agree to amend, the terms of its borrowing credit, finance or other indebtedness in the nature of borrowing or create, incur, or agree to create or incur, borrowing, credit, finance or other indebtedness;
- 1.16 not make any loan (other than granting trade credit in the ordinary course of business in accordance with its normal practice) to any person;
- 1.17 not enter into or vary any material foreign exchange contract, interest rate swap, collar, guarantee, or other interest rate instrument or any contract or arrangement relating to derivatives or differences or in respect of which the financial outcome is to any extent dependent upon future movements of an index or rate of currency exchange or interest or in the future price of any securities or commodities;
- 1.18 not give, or agree to give, a guarantee, indemnity or other agreement to secure, or incur financial or other obligations with respect to, another person's obligation;
- 1.19 not commence, cease, assign, compromise, settle, waive or make any admission or take any material step in relation to any litigation, dispute, claim or action where the amount claimed is likely to exceed £25,000;
- 1.20 conduct its business in all material respects in accordance with all applicable legal and administrative requirements in any jurisdiction;
- 1.21 not enter into an agreement, arrangement or obligation (legally enforceable or not) in which the Seller, a director or former director of the Company or a person connected with any of them is interested;
- 1.22 not make any substantial change to the nature, management or organisation of its business or discontinue or cease to operate all or a material part of its business;
- 1.23 not change its residence for Tax purposes;

- 1.24 not change its practice regarding the payment of creditors or collection of debtors, alter its usual stock levels or take any steps that would be inconsistent with maintaining its usual working capital requirements;
- 1.25 not initiate or propose winding up, liquidation, administration, receivership or other insolvency proceedings or make any arrangement with creditors;
- 1.26 maintain or renew any licence, authorisation, permission, registration, consent, approval or waiver required by the Company; and
- 1.27 co-operate with the Buyer to:
  - 1.27.1 ensure the efficient continuation of management of the Company after Completion; and
  - 1.27.2 prepare for the introduction of the Buyer's normal working procedures in readiness for Completion,

and the Seller shall indemnify the Buyer, and keep the Buyer indemnified, on demand against each loss, liability and cost arising from the Seller's failure to comply with the provisions of this Schedule 4.

2 The indemnity in paragraph 1 of this Schedule 4 shall not apply to:

- 2.1 the Seller's failure to comply with the provisions of paragraphs 1.5, 1.6, 1.20, 1.22 or 1.27 of this Schedule 4; or
- 2.2 any loss, liability or cost arising from the Seller's failure to comply with the provisions of this Schedule 4 which has arisen following the Buyer providing its prior written consent to the Company pursuant to clause 4.1.1 to the Seller not complying with such provisions.

**Schedule 5**  
**Locked Box Accounts**

REPORT OF THE DIRECTOR AND  
INTERIM FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019  
FOR  
EMV CAPITAL LTD

**EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)**

**CONTENTS OF THE INTERIM FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**EMV CAPITAL LTD**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**DIRECTOR:** Dr I P Iliev

**REGISTERED OFFICE:** Level 39  
One Canada Square  
London  
E14 5AB

**REGISTERED NUMBER:** 11412783 (England and Wales)

**ACCOUNTANTS:** Thompson Taraz Rand Audit and Assurance Limited  
10 Jesus Lane  
Cambridge  
Cambridgeshire  
CB5 8BA



EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 DECEMBER 2019**

The director presents his report with the financial statements of the company for the year ended 31 December 2019.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTOR**

Dr I P Iliev held office during the whole of the period from 1 January 2019 to the date of this report.

The company's accounting reference date is the 30th June each year with the last filed financial statements drawn up for the year ended 30th June 2019. These interim financial statements have been prepared for the twelve-month period ended 31st December 2019 with comparatives of a six-month period in order to comply with the conditions of an agreement for a possible sale of the company. These interim financial statements should not be used or relied upon for any other purpose.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**



.....  
Dr I P Iliev - Director

Date: 17<sup>th</sup> June 2020

EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Year ended 31/12/19 £	Period 13/6/18 to 31/12/18 £
TURNOVER		570,801	77,849
Cost of sales		<u>(16,819)</u>	<u>(9,345)</u>
GROSS PROFIT		553,982	68,504
Administrative expenses		<u>(358,099)</u>	<u>(95,742)</u>
		195,883	(27,238)
Interest receivable and similar income		<u>5</u>	<u>-</u>
PROFIT/(LOSS) BEFORE TAXATION	5	195,888	(27,238)
Tax on profit/(loss)	6	<u>(32,203)</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>163,685</u>	<u>(27,238)</u>

The notes form part of these financial statements

EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

INTERIM BALANCE SHEET  
31 DECEMBER 2019

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	7	4,603	1,192
Investments	8	<u>17,401</u>	<u>9,342</u>
		<u>22,004</u>	<u>10,534</u>
<b>CURRENT ASSETS</b>			
Debtors	9	34,749	22,925
Cash at bank		<u>300,360</u>	<u>14,898</u>
		335,109	37,823
<b>CREDITORS</b>			
Amounts falling due within one year	10	<u>(240,666)</u>	<u>(65,595)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>94,443</u>	<u>(27,772)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>116,447</u>	<u>(17,238)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	10,000	10,000
Retained earnings		<u>106,447</u>	<u>(27,238)</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>116,447</u>	<u>(17,238)</u>

The interim financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The interim financial statements were approved by the director and authorised for issue on 17<sup>th</sup> June 2020 and were signed by:



Dr I P Iliev - Director

EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	10,000	-	10,000
Total comprehensive income	-	(27,238)	(27,238)
Balance at 31 December 2018	10,000	(27,238)	(17,238)
Changes in equity			
Dividends	-	(30,000)	(30,000)
Total comprehensive income	-	163,685	163,685
Balance at 31 December 2019	10,000	106,447	116,447

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

1. STATUTORY INFORMATION

EMV Capital Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' including the provisions of Section 1A 'Small Entities' and the Companies Act 2006.

3. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

Turnover represents the fees invoiced net of value added tax in respect of management consultancy, investment management fees, carry fees and corporate finance activities excluding value added tax.

Management consultancy, and other transaction fees are earned through providing services relating to a specific transaction, such as when a company is preparing for an investment round, or an acquisition. These fees are generally an agreed fixed percentage of the transaction value and the revenue is recognised in full at the point of transaction completion.

Investment management and other ongoing service fees are earned by providing a range of management and support services to 'portfolio companies' that the company has been engaged to manage on behalf of third parties and other companies EMVC is assisting with their funding strategy. These fees are generally of a fixed nature and the revenue is recognised evenly over the period, in line with the services provided.

Arrangement fees from the completion of funding rounds are typically calculated as a percentage of the funds raised during the funding round. Revenue is recognised on completion of the funding round. Where these fees have been earned and not invoiced, they are recognised within accrued income.

Carried interest and performance fees are receivable on investor exit. The Company earns a share of profits (carried interest receivable) from the companies which it manages on behalf of third parties. These profits are earned when certain performance conditions on the sale of the investment are achieved and are paid out of the sales proceeds on completion of the sale.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.  
Plant and machinery etc - 33.33% on cost

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

3. ACCOUNTING POLICIES - continued

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Investment costs**

Investments are carried at cost less impairment and represent professional fees incurred on the completion of formal legal documentation relating to the provision of both debt and equity funding arrangements as well as the structuring of further equity funding rounds. The costs will be released to the profit and loss account on the earlier of two events;

(i) Following an annual impairment review of the underlying investment assets under management;

(ii) On sale of the investment asset(s) under management to which the cost relates. These costs are then to be matched against the receipt of carried interest fees where the performance management criteria have been met as set out in the investment management agreement(s).

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 2 (2018 - NIL).

5. PROFIT/(LOSS) BEFORE TAXATION

The profit (2018 - loss) is stated after charging:

	Year ended 31/12/19 £	Period 13/6/18 to 31/12/18 £
Depreciation - owned assets	<u>495</u>	<u>-</u>



EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	Year ended 31/12/19 £	Period 13/6/18 to 31/12/18 £
Current tax:		
UK corporation tax	<u>32,203</u>	-
Tax on profit/(loss)	<u>32,203</u>	-

UK corporation tax has been charged at 19%.

The amount of corporation tax shown represents the amount of tax that has accrued on the tax adjusted profits less brought forward losses for the year to 31st December 2019.

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
<b>COST</b>	
At 1 January 2019	1,192
Additions	<u>3,906</u>
At 31 December 2019	<u>5,098</u>
<b>DEPRECIATION</b>	
Charge for year	<u>495</u>
At 31 December 2019	<u>495</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u>4,603</u>
At 31 December 2018	<u>1,192</u>

8. FIXED ASSET INVESTMENTS

	Other investments £
<b>COST</b>	
At 1 January 2019	9,342
Additions	<u>8,059</u>
At 31 December 2019	<u>17,401</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u>17,401</u>
At 31 December 2018	<u>9,342</u>

EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

8. FIXED ASSET INVESTMENTS - continued

Costs included within fixed asset investments relate to professional fees incurred on legal documents that set out the legal arrangements on which convertible loans and equity investments made by the related SPV entities Zoom Growth Investments Ltd, Deeptech Disruptive Growth Investments Ltd, alongside other third parties for whom EMV Capital Ltd have been engaged to provide investment management services. These costs do not represent a formal investment of EMV Capital Ltd as its role is the provision of investment management and consultancy services.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade debtors	9,847	12,556
Other debtors	<u>24,902</u>	<u>10,369</u>
	<u>34,749</u>	<u>22,925</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts	323	-
Trade creditors	14,173	20,290
Amounts owed to group undertakings	20,000	-
Taxation and social security	95,965	816
Other creditors	<u>110,205</u>	<u>44,489</u>
	<u>240,666</u>	<u>65,595</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2019	2018
Number:	Class:	Nominal value:	£	£
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

12. RELATED PARTY DISCLOSURES

During the year under review the company was advanced funds totalling £37,416 (2018: £3,359) from London Innovation Partners Ltd, a company that is an associated company of EMV Capital Ltd through the ultimate parent company Futura Messis Group Ltd. Dr Ilian Iliev is a director of London Innovation Partners Ltd. The amount outstanding at the balance sheet date is £40,775, and bears interest at 5%. The outstanding balance was repaid in full during May 2020.

Included in other creditors is a balance owing to the director on a directors' loan account of £1,330 (2018: £214).

The company was advanced funds of £20,000 (2018: nil) from Zoom Growth Investments Ltd, a company in which Dr Ilian Iliev is a director. These funds are disclosed within other creditors due in less than one year and bear interest at 1%. These funds are repayable within 12 months of the balance sheet date.

The company also advanced £17,500 (2018: nil) from Zoom Growth Investments Ltd. Interest is chargeable of 1% on the outstanding balance. This balance is to be settled within twelve months of the balance sheet date.

The company was advanced £9,500 (2018: nil) from Deeptech Disruptive Growth Investments Ltd, a company in which Dr Ilian Iliev is a director. These funds are disclosed within other creditors due in less than one year and bear interest at 1%. The funds are to be repaid within 12 months of the balance sheet date.

On the 1st June 2019 the director completed a share for share exchange with Futura Messis Group Ltd, a company registered in England and Wales of which Dr Ilian Iliev is a director and majority shareholder. On completion of this transaction EMV Capital Ltd became a wholly owned subsidiary of Futura Messis Group Ltd. An interim dividend £30,000 was paid to Futura Messis Group Ltd during the year. The balance outstanding at the balance sheet date is £20,000 (2018: nil) and is included within creditors.

13. POST BALANCE SHEET EVENTS

During June 2020 the company sought to undertake a capital reduction exercise reducing the current share capital of 10,000 Ordinary shares of £1 to 1,000 Ordinary shares of 1p.

Zoom Growth Investments Ltd and Deeptech Disruptive Growth Investments Ltd have agreed to extend the repayment of loans totalling £47,000 by twelve months. These loans will now fall due for repayment in June 2021.

**DIRECTOR'S RESPONSIBILITIES STATEMENT  
ON THE UNAUDITED FINANCIAL STATEMENTS OF  
EMV CAPITAL LTD**

I confirm that as a director I have met my duty in accordance with the Companies Act 2006 to:

- ensure that the company has kept proper accounting records;
- prepare financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2019 and of its profit for that period in accordance with United Kingdom Generally Accepted Accounting Practice; and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.



.....  
Dr I P Iliev - Director

Date: 17<sup>th</sup> June 2020

This page does not form part of the statutory financial statements

**INDEPENDENT CHARTERED CERTIFIED ACCOUNTANTS' REVIEW REPORT TO THE DIRECTOR OF  
EMV CAPITAL LTD**

We have reviewed the financial statements of EMV Capital Ltd for the year ended 31 December 2019, which comprise the Profit and loss account, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's director in accordance with our terms of engagement. Our review has been undertaken so that we might state to the director those matters that we have agreed with her in our engagement letter and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's director for our work, for this report or the conclusions we have formed.

**Director's responsibility for the financial statements**

As explained more fully in the Director's Responsibilities Statement set out on page eleven, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

**Accountants' responsibility**

Our responsibility is to express a conclusion based on our review of the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised), 'Engagements to review historical financial statements' and ICAEW Technical Release TECH 09/13AAF 'Assurance review engagements on historical financial statements'. ISRE 2400 also requires us to comply with the ICAEW Code of Ethics.

**Scope of the assurance review**

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed additional procedures to those required under a compilation engagement. These primarily consist of making enquiries of management and others within the entity, as appropriate, applying analytical procedures and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK and Ireland). Accordingly, we do not express an audit opinion on these financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

Thompson Taraz Rand Audit and Assurance Limited  
10 Jesus Lane  
Cambridge  
Cambridgeshire  
CB5 8BA

Date: 17<sup>th</sup> June 2020.

This page does not form part of the statutory financial statements

EMV CAPITAL LTD (REGISTERED NUMBER: 11412783)

TRADING AND PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2019

	Year ended 31/12/19	Period 13/6/18 to 31/12/18
	£	£
Fees	570,801	77,849
Cost of sales		
Purchases	<u>16,819</u>	<u>9,345</u>
<b>GROSS PROFIT</b>	<b>553,982</b>	<b>68,504</b>
Other income		
Deposit account interest	<u>5</u>	<u>-</u>
	<b>553,987</b>	<b>68,504</b>
<b>Expenditure</b>		
Insurance	6,528	-
Rent and rates	12,695	3,233
Directors' salaries	72,674	-
Directors' fees	10,200	12,144
Directors' social security	8,837	-
Directors' pension contributions	768	-
Wages	57,454	-
Social security	3,143	-
Pensions	1,313	-
Computer expenses	5,666	1,099
Telephone	3,438	1,457
Post and stationery	206	172
Marketing and promotion	13,695	-
Travelling	14,007	2,082
IC committee fees	9,000	-
Sundry expenses	1,949	434
Accountancy	8,525	651
Consultancy and Support costs	74,383	65,015
Appointed representative fees	25,802	2,249
Fund management fees	15,457	1,750
Other professional costs	8,355	3,520
Foreign exchange losses	(1,748)	553
Depreciation of tangible fixed assets	495	-
Entertainment	<u>4,166</u>	<u>1,357</u>
	<b>357,008</b>	<b>95,716</b>
	<b>196,979</b>	<b>(27,212)</b>
<b>Finance costs</b>		
Bank charges	<u>1,091</u>	<u>26</u>
<b>NET PROFIT/(LOSS)</b>	<b><u>195,888</u></b>	<b><u>(27,238)</u></b>

This page does not form part of the statutory financial statements

## Schedule 6

### List of Permitted Leakages

## Account Transactions

EMV Capital Ltd

For the period 1 January 2020 to 31 July 2020

### Payments Made

#### HSBC Current Account (GBP)

04 Feb 2020	Spend Money	Futura Messisgroup (Dividend)	GBP	30,000.00
07 Feb 2020	Spend Money	London Innovation Partners Ltd (WC Loan)	GBP	8,000.00
08 Apr 2020	Spend Money	London Innovation Partners Ltd (WC Loan)	GBP	8,000.00
30 Apr 2020	Spend Money	London Innovation Partners Ltd (WC Loan)	GBP	20,000.00
15 May 2020	Spend Money	London Innovation Partners Ltd (WC Loan)	GBP	3,147.21
20 May 2020	Spend Money	London Innovation Partners Ltd (WC Loan)	GBP	23,975.80
22 Jun 2020	Payable Payment	Payment: London Innovation Partners Ltd IP & Valuation Support	GBP	14,160.00

Dividend accrued in Lockdate Accounts

Working capital facility granted by LIP. See separate Tab for allocations. Facility does not renew once repaid.

Invoice for IP & Valuation Support. Agreement with LIP now discontinued.

#### Staff Bonuses\*

28 Feb 2020	Harry Miller	Bonus	GBP	8,000.00
28 Feb 2020	Agnese Palermo	Bonus	GBP	500.00

\* Staff bonuses paid via payroll and subject to usual PAYE/NIC deductions & Employer NICs

#### Ilian Iliev - Employment Salary

	£
Monthly GROSS salary	8,626
Monthly NET payment to employee	5,000

#### Forthcoming payments

Repayment to Deeptech Disruptive (loan balance + 1% interest p.a. calculated to actual repayment date)			9,500	Loan balance
(+ 1% interest p.a. calculated to estimated repayment date)	30-Jan-19	30-Sep-20	159	Estimated Interest
Estimated total payment			<b>9,659</b>	<b>Estimated Total Repayment</b>

#### Forthcoming other (no cash leakage)

Zoom Grow th - Convert Outstanding Loan + Interest to Revenue (Offset vs Work Done)			17,500	
(+ 1% interest p.a. calculated to estimated repayment date)	04-Dec-18	30-Sep-20	319	Estimated interest
Zoom Grow th - Convert Outstanding Loan + Interest to Revenue (Offset vs Work Done)			20,000	
(+ 1% interest p.a. calculated to estimated repayment date)	28-Jan-19	30-Sep-20	335	Estimated interest
			<b>38,154</b>	<b>Estimated total to P&amp;L (Revenue)</b>

### Summary of forthcoming payments

Tab	Category	Amount	Estimated Due Date					
2.1	Employees & Contractors	29,441.7	31-Aug-20					
2.2	Accounts Payable	67,873.4	Various per AP report, mostly due					
2.3	Accrued Costs	105,702.5	31-Aug-20					
2.4	Other recurring costs	5,730.00	Various per due dates	Monthly costs for rents, insurances, software, IT etc				
	<b>Total</b>	<b>208,747.6</b>						

<b>Employees</b>		<b>Monthly Net Payment</b>							
Ilian Iliev		5,000.0							
Harry Miller		2,691.9							
Agnese Palermo		1,746.9							
Stefan Nahum		1,460.8							
PAYE (Monthly)		6,991.03							
Pensions		751							
<b>Contractors</b>									
Nick Salisbuty		3600							
Oliver Saban		3200							
Vyara Stoycheva		4000		(Varies & depends on hours spent)					
<b>Monthly estimate</b>		<b>29,441.7</b>							
SD Ventures		3600		Quartely payment, next due in October 2020 (not included)					



**August 2020**

	Current	July	June	May	Older	Total
<b>Payables</b>						
8 x 8 UK Limited	£0.00	£0.00	£9.60	£4.16	£0.00	£13.76
BVCA	£0.00	£0.00	£0.00	£0.00	£1,468.80	£1,468.80
Close Brothers	£0.00	£0.00	£0.00	£0.00	£4,950.25	£4,950.25
Docusign	£0.00	£0.00	£0.00	£1,960.00	£0.00	£1,960.00
Enterprise Investment Scheme	£0.00	£0.00	£0.00	£0.00	£1,250.00	£1,250.00
Hlghworth Research Limited	£0.00	£0.00	£0.00	£0.00	£1,800.00	£1,800.00
Kennedy's	£0.00	£0.00	£0.00	£0.00	£1,410.00	£1,410.00
Level 39	£480.00	£480.00	£0.00	£0.00	£0.00	£960.00
Mainspring Nominees Limited	£0.00	£3,583.25	£725.10	£468.70	£1,270.01	£6,047.06
NDCF Ltd	£0.00	£3,600.00	£0.00	£0.00	£0.00	£3,600.00
Neos Software Limited	£0.00	£362.64	£0.00	£0.00	£7.80	£370.44
Oliver Saban	£0.00	£3,200.00	£0.00	£0.00	£0.12	£3,200.12
Phaidon International UK Ltd	£0.00	£0.00	£0.00	£0.00	£7,200.00	£7,200.00
Ruffena Capital	£0.00	£0.00	£0.00	£0.00	£2,250.00	£2,250.00
Salesforce	£0.00	£1,080.00	£0.00	£0.00	£0.00	£1,080.00
Sapphire Capital Partners LLP	£0.00	£900.00	£18,399.59	£0.00	£0.00	£19,299.59
Thompson Taraz Rand	£0.00	£0.00	£5,550.00	£0.00	£0.00	£5,550.00
Trowers & Hamlins	£0.00	£0.00	£0.00	£0.00	£1,800.00	£1,800.00
Vyara Stoycheva	£0.00	£3,663.38	£0.00	£0.00	£0.00	£3,663.38
<b>Total Payables</b>	<b>£480.00</b>	<b>£16,869.27</b>	<b>£24,684.29</b>	<b>£2,432.86</b>	<b>£23,406.98</b>	<b>£67,873.40</b>
	<b>Current</b>	<b>July</b>	<b>June</b>	<b>May</b>	<b>Older</b>	<b>Total</b>
<b>Total Expense Claims</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>
<b>Total</b>	<b>£480.00</b>	<b>£16,869.27</b>	<b>£24,684.29</b>	<b>£2,432.86</b>	<b>£23,406.98</b>	<b>£67,873.40</b>
	0.7072%	24.854%	36.3681%	3.5844%	34.4862%	



Accrued/planned payment *		£		
Wealth Club (Sofant Close) fees		35,422		
Signpost (Sofant Close) fees		4,821		
NDCF (Sofant Close) fees		5,045		
Sapphire Capital (Sofant Close) fees		5,756		Estimate
Deeptech Loan Balance + Interest		9,659		
Trowers Hamlins Fees		45,000		
		<b>105,702.46</b>		

Supplier	Category	£	Frequency
Level 39	Rent	480	Monthly
Close Brothers	Insurance	1,130	Monthly
H3G	Mobiles	750	Monthly
Box.com	Cloud Storage	120	Monthly
Mainspring	EIS Custodian	750	Monthly
Sapphire Capital	FCA Appointed Representative	900	Monthly
NEOS Software	Licenses & support	350	Monthly
Thompson Taraz	Bookkeeping	750	Monthly
Xero, Zoom, Asana etc	Misc software subscriptions	500	Monthly
		<b>5,730</b>	

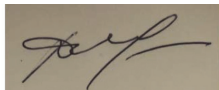
## **Schedule 7**

### **Buyer's Warranties**

- 1        So far as they relate to the Buyer, the Buyer's Group and/or the Independent Directors:
  - 1.1        all statements of fact contained in the Circular are true, accurate and not misleading;
  - 1.2        all expressions of opinion, intention or expectation contained in the Circular are truly and honestly given and have been made on reasonable grounds after due and careful consideration;
  - 1.3        there are no facts or considerations known or which could with reasonable and proper enquiry have been known to the Buyer which are not disclosed in the Circular and which would reasonably be considered to be likely to affect the import of the information contained therein, or make any statement therein untrue, inaccurate or misleading; and
  - 1.4        the Circular complies with all relevant requirements of the Act, the Financial Services and Markets Act 2000, the Financial Services Act 2012, the AIM Rules, the Takeover Code and all other relevant statutes and regulations.
- 2        Subject to the passing of the Buyer Resolutions, the directors of the Buyer will have sufficient authority for the purposes of section 551 of the Act and the AIM Rules to allot the Consideration Shares without needing any further sanction or approval by shareholders of the Buyer.
- 3        The Consideration Shares will be allotted and issued fully paid up, free from all Encumbrances and will rank *pari passu* in all respects with the existing issued ordinary shares of 5 pence each in the capital of the Buyer.
- 4        As at the date of this Agreement, the issued share capital of the Buyer consists of 78,561,866 ordinary shares of 5 pence each in the capital of the Buyer and there are 3,605,984 outstanding options over ordinary shares of 5 pence each in the capital of the Buyer.
- 5        The Buyer's annual accounts for the financial year ended on 31 December 2019 (including an audited, consolidated balance sheet, profit and loss account and cash flow of the Buyer and all related notes and the directors' and auditors' reports) give a true and fair view of the state of affairs of the Buyer as at the end of each of the relevant financial periods (up to and including 31 December 2019) and of the profit or loss and cashflow for the periods ending on each of those dates.
- 6        The Buyer has in all material respects, conducted its business in accordance with all applicable laws and regulations (including the AIM Rules), save as disclosed in any Previous Announcement.

**Executed** as a **deed** by **Futura  
Messis Group Ltd** acting by a director  
in the presence of:

signature  
of witness



name

Jelena Babajeva

print name of witness

address

37 New Atlas Wharf, 3 Arnhem Wharf, London, E14 3SS



signature

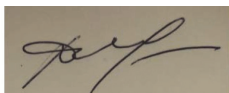
Director

Ilian Iliev

print name

**Executed** as a **deed** by **Ilian Iliev** in  
the presence of:

signature  
of witness



name

Jelena Babajeva

print name of witness

address

37 New Atlas Wharf, 3 Arnhem Wharf,  
London, E14 3SS



signature

Ilian Iliev

print name

**Executed** as a **deed** by **NetScientific  
plc** acting by a director in the presence  
of:

signature  
of witness

name

address

signature

Director

print name

print name of witness

**Executed** as a **deed** by **Futura  
Messis Group Ltd** acting by a director  
in the presence of:

signature  
of witness \_\_\_\_\_

name \_\_\_\_\_  
print name of witness

address

\_\_\_\_\_  
signature Director

Ilian Iliev  
\_\_\_\_\_  
print name

**Executed** as a **deed** by **Ilian Iliev** in  
the presence of:

signature  
of witness \_\_\_\_\_

name \_\_\_\_\_  
print name of witness

address

\_\_\_\_\_  
signature


\_\_\_\_\_  
print name

**Executed** as a **deed** by **NetScientific  
plc** acting by a director in the presence  
of:

signature  
of witness \_\_\_\_\_

name Stephen Crowe  
\_\_\_\_\_  
print name of witness

address Coach House, Smarden,  
Kent, TN27 8NQ

  
\_\_\_\_\_  
signature Director

John Clarkson  
\_\_\_\_\_  
print name