

Dated 3 March 2026

SONARDYNE HOLDINGS LIMITED (1)

KRAKEN ROBOTIC SYSTEMS INC. (2)

AND

KRAKEN ROBOTICS INC. (3)

AGREEMENT

**for the sale and purchase of the entire issued
share capital of**

Covelya Group Limited

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BETWEEN:

- (1) **SONARDYNE HOLDINGS LIMITED**, a private limited liability company incorporated in England & Wales with registered number 01968550 whose registered office is at Ocean House, Blackbushe Business Park, Saxony Way, GU46 6GD Yateley, England ("**Seller**");
- (2) **KRAKEN ROBOTIC SYSTEMS INC.** incorporated under the laws of Canada with registered number 8916039 whose principal place of business is at 189 Glencoe Drive, Mount Pearl NL, Canada A1N 4P6 ("**Buyer**"); and
- (3) **KRAKEN ROBOTICS INC.** incorporated under the laws of Canada with registered number 919038-4 whose principal place of business is at 189 Glencoe Drive, Mount Pearl NL, Canada A1N 4P6 ("**Parent**").

IT IS AGREED as follows:

1 DEFINITIONS AND INTERPRETATION

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

Accounting Standards	(i) generally accepted accounting principles, policies, standards and practices applied in the relevant jurisdiction of each Group Company and in force for the accounting period ending on the Accounts Date for the Accounts, the Management Accounts and the Completion Accounts, or (ii) IFRS for the IFRS Accounts and the IFRS Management Accounts;
Accounts	the Group's audited annual consolidated accounts prepared in accordance with the Accounting Standards, in each case for the accounting reference period ended on the Accounts Date, including the Group statement of comprehensive income, Group balance sheet, Group statement of changes in equity and Group statement of cash flows, the associated directors' and auditors' reports, any notes to such accounts as required by law and relevant Accounting Standards, copies of which are at document 2.1.1.5 of the Data Room;
Accounts Date	31 December 2024;
Adjustment Date	the fifth Business Day following the date on which the Completion Accounts and the Completion Accounts Statement are agreed, deemed to be agreed or determined in accordance with Schedule 8;
Agreed Documents	this Agreement and all the Agreed Form documents referred to in it;
Agreed Form	in a form which has been agreed by the relevant parties to the document in question and either (a) initialled by or on behalf of them for identification; or (b) confirmed as being in the agreed form in writing (including by email) by them or their solicitors;

Associated Person	in relation to a Group Company, a person (including an employee, agent, contractor or subsidiary) who performs or has performed services for or on behalf of that Group Company;
BA 2010	the Bribery Act 2010;
Base Cash Consideration	an amount equal to CAD \$480,000,000;
Beneficial Owners	those individuals whose names and addresses are set out in Schedule 1;
Bonus Payment Date	each of: <ul style="list-style-type: none"> (a) the Completion Date; (b) the first anniversary of the Completion Date; and (c) the second anniversary of the Completion Date;
Business Day	any day, other than a Saturday, Sunday or public holiday in England and Canada, when banks in London, England and Toronto, Ontario are open for business;
Business Information	Confidential Information relating to or used in the activities of any Group Company;
Buyer Compliance Certificate	has the meaning ascribed to it in clause 2.1(g);
Buyer's Group	the Buyer, any Holding Company of the Buyer and any subsidiary or subsidiary undertaking of the Buyer (including, for these purposes, the Company) and any subsidiary or subsidiary undertaking of any Holding Company of the Buyer from time to time and references to " any member of the Buyer's Group " shall be construed accordingly;
Buyer's Solicitors	Gowling WLG (UK) LLP of 4 More London Riverside, London SE1 2AU, England;
CA 2006	the Companies Act 2006;
CAD	Canadian Dollars, being the official currency of Canada;
Cash	all cash or cash equivalents in hand or credited to the account of or held in any account on behalf of any Group Company with any bank, financial, credit, lending or other similar institution (together with accrued interest) including cash in transit, sums receivable in accordance with outstanding deposits (except to the extent such deposits are included in the calculation of Working Capital) or other methods of payment to any Group Company less uncollected cheques issued by any Group Company and funds in transit from any Group Company that are uncleared as of Completion and clear after Completion (but only to the extent not already otherwise included in the calculation of Working Capital but specifically excluding any Restricted Cash (in each case (i) as recorded in the relevant Group Company's books of account), (ii) as at the Effective

	Time, (iii) as determined in accordance with Schedule 8 and (iv) as shown in the Completion Accounts Statement;
Cash Consideration	has the meaning given to it in clause 5.1(a):
CFIUS	means the Committee on Foreign Investment in the United States;
CFIUS Condition	the Buyer having received written confirmation from CFIUS that the transactions contemplated by this Agreement are not a "covered transaction" within the meaning of Section 721 of Title VII of the Defence Production Act of 1950, or CFIUS has issued a written notice that it has determined there are no unresolved national security concerns, even if subject to conditions or a National Security Agreement or mitigation, which the Buyer (acting reasonably and in good faith) considers would not have a material adverse impact upon the transactions contemplated by this Agreement and all action under the Defence Production Act of 1950 is concluded with respect to the transactions contemplated by this Agreement, or CFIUS has determined, pursuant to 31 C.F.R § 800.407(a)(2), that it is not able to conclude action under the Defence Production Act of 1950 with respect to the transactions contemplated by this Agreement pursuant to a Declaration submitted by the Parties but has not requested the submission of a CFIUS Joint Notice, or CFIUS has sent a report to the President of the United States requesting the President's decision and the President has announced a decision not to take any action to suspend or prohibit the transactions contemplated by this Agreement or the President has not taken any action within fifteen days from the date the President received the report from CFIUS;
Change of Control Consents	the consents to be provided to the relevant counterparties in substantially the form of the CoC Proforma and to be duly signed (or otherwise confirmed) by each of the counterparties to the following contracts approving, authorising and/or consenting to the transactions contemplated by this Agreement: [Redacted – Commercially Sensitive Information]
CoC Proforma	the proforma form of change of control consent letter in the Agreed Form;
Company	Covelya Group Limited details of which are set out in Part 1 of Schedule 2;
Completion	completion of the sale and purchase of the Sale Shares by the performance by the parties of their respective obligations under clause 6 and Schedule 5;
Completion Accounts	the consolidated statement of financial position of the Group as at the Effective Time (including the notes thereon), as prepared and agreed, deemed to be agreed or determined (as the case may be) in accordance with Schedule 8;

Completion Accounts Statement	the statement setting out the amount of the Cash, Debt and Working Capital as shown in, or derived from, the Completion Accounts, together with the resulting calculation of the Cash Consideration, and as prepared and agreed or determined (as the case may be) in accordance with Schedule 8;
Completion Conditions	has the meaning ascribed to it in clause 2.1;
Completion Date	the last calendar day of the month in which the last day of the Estimates Review Period expires or such other date as agreed between the Buyer and the Seller in writing;
Completion Payment	the sum of: <ul style="list-style-type: none"> (a) the Base Cash Consideration; (b) <i>plus</i> an amount equal to the lower of (i) the Estimated Cash and (ii) the Maximum Cash Amount; (c) <i>minus</i> an amount equal to the Estimated Debt; (d) (i) <i>plus</i> the amount by which the Estimated Working Capital exceeds the Target Working Capital up to a maximum amount of £5,000,000; or (ii) <i>minus</i> the amount by which the Estimated Working Capital is less than the Target Working Capital as applicable; (e) <i>minus</i> the W&I Policy Contribution; (f) <i>minus</i> the Holdback Amount.
Conditions	has the meaning ascribed to it in clause 2.1;
Confidential Information	all information and records whether or not recorded (including accounts, business plans and financial forecasts, Tax records, correspondence, designs, drawings, manuals, specifications, customer, sales and supplier information, technical or commercial expertise, software, formulae, processes, trade secrets, methods, knowledge and know-how) and which are not in the public domain;
Consideration Shares	15,882,352 fully paid and non-assessable common shares in the capital of Kraken Robotics Inc. (the Buyer's parent company), deemed to be issued at the Issue Price in satisfaction of the Non-Cash Consideration;
Contracts Act	the Contracts (Rights of Third Parties) Act 1999;
Control	in relation to any person that is not a human being: <ul style="list-style-type: none"> (a) the power to direct the exercise of a majority of the voting rights capable of being exercised at a general meeting of that person; (b) the right to appoint or remove, or to cause the appointment or removal of, a majority of the board of

directors (or corresponding officers) of that person, by contract or otherwise; or

- (c) the right to exercise a dominant influence over that person by virtue of provisions contained in its constitutional documents or under a control contract (including "co-investment arrangements" or "managed accounts" or any similar scheme where the management of an investment rests with such person) or otherwise,

in each case either directly or indirectly, and "**Controlled**" and "**Controlling**" shall be construed accordingly;

CTA 2010

the Corporation Tax Act 2010;

Current Assets

the accounts receivable (net of allowances), prepaid expenses, inventories (including raw materials, goods in transit, work in progress and finished goods, net of provision) and other current assets of the Group as set out in the Sample Completion Accounts Statement, calculated on a consolidated basis, provided that the Current Assets shall not include any Cash, Restricted Cash, corporate tax receivables, deferred tax assets or amounts receivable from related parties outside of the transaction perimeter;

Current Liabilities

the accounts payable, accrued expenses, sales tax payable, warranty provisions, payroll taxes payable and other current liabilities of the Group as set out in the Sample Completion Accounts Statement, calculated on a consolidated basis, provided that the Current Liabilities shall not include Debt;

Danish FDI Condition

the Buyer having received:

- (a) a decision from the Danish Business Authority which authorises the transactions contemplated by this Agreement in accordance with the Danish Investment Screening Act, even if subject to conditions, which the Buyer (acting reasonably and in good faith) considers would not have a material adverse impact upon the transactions contemplated by this Agreement, or does not prevent the transactions contemplated by this Agreement; or
- (b) a written confirmation from the Danish Business Authority that the transactions contemplated by this Agreement do not fall within the scope of the Danish Investment Screening Act;

Danish Investment Screening Act

Consolidation Act no. 1256 of 27 October 2023 - Promulgation of the Act on the screening of certain foreign direct investments etc. in Denmark;

Data Protection Laws

- (a) the regulations on the protection of natural persons with regard to the processing of personal data and on the free movement of such data known as the General Data Protection Regulation (EU) 2016/679;

- (b) EU GDPR as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act 2018 as modified by Schedule 1 to the Data Protection, Privacy and Electronic Communications (Amendments etc.) (EU Exit) Regulations 2019;
- (c) the UK Data Protection Act 2018;
- (d) the Privacy and Electronic Communications Regulations 2003 as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 European Union (Withdrawal) Act 2018 as modified by Data Protection, Privacy and Electronic Communications ((Amendments etc.) EU Exit) Regulations 2020;
- (e) any Enactment relating to such regulations, data protection or privacy; and
- (f) all legally binding codes of practice, guidance or other directives issued by the Information Commissioner's Office from time to time;

Data Room

the online data room named Project Guardian operated by Sterling containing documentation relating to the Group, copies of which have been received by the Buyer's Solicitors via secure download on or prior to the execution of this Agreement;

Data Subject

has the meaning given in the Data Protection Laws;

DDTC

the Department of State Directorate of Defense Trade Controls;

Debt

in relation to the Group, the aggregate amount of its borrowings and other financial indebtedness in the nature of borrowing, including (without double counting):

- (a) borrowings from any bank, financial institution or other entity, including any related prepayment fees or expenses (including overdraft facilities), whether short term, long term, or revolving;
- (b) indebtedness arising under any bond, note, loan stock, debenture, commercial paper or similar instrument;
- (c) obligations under any conditional sale, title retention, forward sale or purchase or any similar agreement or arrangement creating obligations with respect to the deferred purchase price of property (other than customary trade credit given in the ordinary course of trading) or goods that a Group Company purports to own, and the deferred or contingent purchase price payable for services that have already been rendered, in each case in accordance with the relevant Accounting Standards, including any earn-out type payments;
- (d) obligations in respect of letters of credit and bankers' acceptances, in each case, to the extent drawn;

- (e) all indebtedness with respect to the factoring of accounts receivables;
- (f) any indebtedness for monies borrowed or raised under any other transaction that has the commercial effect of borrowing;
- (g) any preference shares or element of preference shares shown as liabilities as required by applicable accounting standards;
- (h) any declared dividends not paid by a Group Company as at Completion;
- (i) deferred revenue, customer deposits and customer prepayments;
- (j) LTIP bonus accrual;
- (k) unpaid amounts in connection with any litigation proceedings;
- (l) unpaid severance;
- (m) unpaid transaction costs and bonuses (including, for the avoidance of doubt, the Transaction Bonus Amount and any bonuses whereby one (but not all) of the conditions for payment includes the transaction) relating to the sale of the Sale Shares (or any of them) or pursuant to this Agreement or related to any previous, actual or potential transfer of any Sale Shares, including any Tax liabilities of the Group relating to the same;
- (n) any unpaid bonuses earned by employees or contractors of the Group;
- (o) any deferred purchase price or earn-out obligations of the Group relating to any acquisition transactions undertaken by the Group;
- (p) Tax liabilities of the Group that relate to or will become payable by the Group in respect of the periods prior to the Effective Time;
- (q) Transaction Expenses; and
- (r) all unpaid accrued interest on any borrowings or indebtedness referred to in the paragraphs above, together with any prepayment premiums or other penalties, fees, expenses or breakage costs arising (or which would arise) in connection with the repayment of any such borrowings or indebtedness on the Completion Date,

in each case (i) as at the Effective Time, (ii) as determined in accordance with Schedule 8 and (iii) as shown in the Completion Accounts Statement;

Debt Financing	means the debt financing agreed to by the Buyer concurrently with entering into this Agreement, the net proceeds of which are intended to be used by the Buyer to satisfy a portion of the aggregate Cash Consideration;
Deferred Consideration	any and all amounts payable pursuant to clause 8.7;
Determined Claim	a claim for a Relevant Breach, a claim pursuant to the Tax Covenant or any other claim under this Agreement in respect of which liability has been: <ul style="list-style-type: none"> (a) agreed in writing between the Buyer and the Seller; or (b) finally determined by a court of competent jurisdiction without right of appeal;
Developed Software	any software developed by or on behalf of any Group Company;
Disclosed Schemes	has the meaning given in paragraph 15.1 of Schedule 3;
Disclosure Letter	the Agreed Form letter of the same date as this Agreement from the Seller to the Buyer disclosing matters in relation to the Warranties (to the extent Fairly Disclosed) which has been delivered to the Buyer on or prior to the execution of this Agreement;
ECCTA 2023	Economic Crime and Corporate Transparency Act 2023;
Effective Time	11:59 p.m. UK time on the Completion Date;
Employee Bonus Liabilities	all amounts for which a Group Company is: <ul style="list-style-type: none"> (a) liable to account to a Relevant Authority; and/or (b) liable to pay or accrue in respect of an employee's benefit arrangements, <p>in each case, in respect of, in connection with or otherwise arising as a result of the payment of the Transaction Bonuses, including but not limited to any income tax or employee's national insurance contributions, or other equivalent employee's social security contributions or duties in a jurisdiction outside the United Kingdom;</p>
Employer Bonus Liabilities	all liabilities payable by a Group Company as a result of the payment of the Transaction Bonuses, including any employer's national insurance contributions or amounts payable in respect of the apprenticeship levy, or any other equivalent employer's social security contributions or duties in a jurisdiction outside the United Kingdom;
Enactment	any statute or statutory provision (whether of the United Kingdom, Canada or elsewhere), subordinate legislation (as defined by section 21(1) Interpretation Act 1978) and any other subordinate legislation made under any such statute or statutory provision, and the applicable terms and conditions of

any grant of approval, permission, authority or licence of any Relevant Authority or self-regulatory authority;

Encumbrance

a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, retention of title arrangement, assignment by way of security or other third party right, interest (by way of security or otherwise), claim of any kind, or other preferential arrangement having similar effect or other security interest (or an agreement or commitment to create any of them);

Environment

- (a) land, including surface land, sub-surface strata, sea bed and river bed under water (as defined in paragraph (b)) and natural and man-made structures;
- (b) water, including coastal and inland waters, surface waters, ground waters and water in drains and sewers;
- (c) air, including air inside buildings and in other natural and man-made structures above or below ground; and
- (d) any and all living organisms or systems supported by those media, including humans;

Environmental Claim

any claim, notice of violation, prosecution, demand, action, official warning, abatement, dispute resolution proceedings, any voluntary action approved by any Environmental Regulatory Authority, any enquiry or investigation by any Environmental Regulatory Authority or other order or notice (conditional or otherwise) relating to any Environmental Matters or Environmental Liabilities or requiring compliance with the terms of any Environmental Licence or Environmental Law;

Environmental Damage

any pollution, contamination, degradation, damage or injury caused by, related to or arising from or in connection with the presence, generation, use, handling, processing, treatment, storage, transportation, release, spillage, emission, leaking, pumping, injection, deposit, disposal, discharge, leaching, migration or any other form of movement into or through the Environment or into or out of any property, of any Relevant Substance;

Environmental Laws

all applicable laws (including all or any Enactment, common law, rule, regulation, direction, decision of the court, bye-law, code of practice, circular, guidance note, statutory guidance, order, notice, demand or official guideline of any Environmental Regulatory Authority, in each case to the extent legally binding) in force in any relevant jurisdiction at any time up to and including the date of this Agreement to the extent that they relate to or concern the protection of the Environment, energy efficiency, climate change and/or the conditions of the workplace and worker health and safety or they regulate, control or prohibit the generation, use, handling, emission, transportation, storage, treatment or disposal of any substance or any noise, vibration, odour, light or radioactivity or have as a purpose the provision of remedies or compensation for Environmental Damage, or any loss arising therefrom or the

condition, protection, maintenance, remediation, reinstatement, restoration of the Environment or any part of it;

Environmental Liabilities

any Losses (including remedial, removal, response, abatement, clean-up, investigative and monitoring costs), which are incurred by, asserted against or imposed on a person as a result of or in connection with:

- (a) any actual or alleged violation of or non-compliance with Environmental Laws (including the failure to procure or violation of any Environmental Licence required by Environmental Laws); or
- (b) any circumstance which gives rise to an Environmental Claim or Remedial Works (whether ordered by any Environmental Regulatory Authority or in respect of works reasonably carried out to avoid the risk of liability under Environmental Law); or
- (c) the withdrawal or refusal of any Environmental Licences or any requirement by any Environmental Regulatory Authority to suspend or stop the whole or any part of the business of the Buyer or any Group Company under or pursuant to Environmental Laws (and for the avoidance of doubt this shall include loss of profits and any other direct or indirect losses arising from any interruption or cessation of business operations); or
- (d) any Environmental Damage;

Environmental Licence

any permit, licence, authorisation, consent, agreement, registration, notification, exemption or other approval obtained or which was legally required to have been obtained under any Environmental Law at any time by any Group Company or in relation to the business carried on by any Group Company (including any condition or requirement thereof as modified from time to time) in order to carry out its operations;

Environmental Matters

includes:

- (a) any generation, deposit, disposal, keeping, treatment, transportation, transmission, handling or manufacture of any Relevant Substance;
- (b) nuisance, noise, defective premises, health and safety at work or elsewhere;
- (c) the carrying out of a development (as defined in section 55(1) Town and Country Planning Act 1990);
- (d) the pollution, conservation or protection of the Environment whether relating to man or any living organism supported by the Environment or any other matter affecting the Environment; and
- (e) the recycling of packaging or other materials or waste (as defined in the Environmental Protection Act 1990);

Environmental Regulatory Authority	any person (including any Relevant Authority, Government department or Government agency or body, the Environmental Agency, local authorities or the Health & Safety Executive or their respective equivalents in any jurisdiction in question) having regulatory powers and/or authority at law and/or any court of law or tribunal in relation to the Environment or Environmental Laws;
Environmental Reporting Requirements	any and all reporting requirements relating to Environmental Matters including, in relation to the United Kingdom, any reporting requirements pursuant to the Companies Act 2006, the Climate Change Act 2008, the Energy Savings Opportunity Scheme Regulations 2014, the Companies (Directors' Report and Limited Liability Partnerships (Energy and Carbon Report)) Regulations 2018, the Greenhouse Gas Emissions Trading Scheme Order 2020 or any other relevant legislation that may be enacted from time to time and/or equivalent legislation or requirements in other jurisdictions and pursuant to any Environmental Licences;
Equity Financing	means the offering of subscription receipts, or such other form of security of the Parent as it determines, made on a "bought deal" basis on the terms provided for in a bought deal letter, a copy of which has been provided to the Seller on or before the date of this Agreement;
Estimated Cash	the Seller's estimate of the Cash, as set out in the Estimates Statement;
Estimated Debt	the Seller's estimate of the Debt, as set out in the Estimates Statement;
Estimated Working Capital	the Seller's estimate of the Working Capital, as set out in the Estimates Statement;
Estimates Review Period	has the meaning ascribed to it in clause 7.3;
Estimates Statement	has the meaning ascribed to it in clause 7.1;
Exchange	the TSX Venture Exchange;
Exchange Rate	in relation to any currency to be converted into or from £ (pounds sterling) for the purposes of this Agreement, the spot rate of exchange (closing mid-point) for that currency into or, as the case may be, from £ (pounds sterling) as published by the Bank of England on the relevant date, or, where no such rate of exchange is published in respect of that date (including where the date falls on a weekend or public holiday), at the rate published by the Bank of England on the next available Business Day;
Existing Debt Amount	the amounts owed by the Group to the Existing Debt Provider including all interest, prepayment fees, and other charges and expenses payable in connection with the existing facilities with such Existing Debt Provider;
Existing Debt Provider	Nordea Danmark Filial af Nordea Bank ABP;

Fairly Disclosed	fairly disclosed in such a manner and in such detail that allows the Buyer to identify and make an informed assessment of the nature and scope of the matter disclosed;
Fraudulent Conduct	any activity, practice or conduct constituting fraud, including a fraud offence under section 199(6) ECCTA 2023;
Freehold Properties	the Properties listed in Part 1 of Schedule 6;
Fundamental Warranties	those Warranties contained in paragraphs 2, 7, 8.3, 17, 20 and 24 (other than paragraph 24.6) of Schedule 3;
Further Disclosure Letter	the disclosure letter delivered by the Seller to the Buyer pursuant to, and only containing the information permitted by, clause 9.7;
Group	the Company and the Subsidiaries;
Group Company	each and any body corporate in the Group (but excluding the Minority Interests), and Group Companies shall be construed accordingly;
Guarantee	any guarantee, indemnity, suretyship, letter of comfort or other assurance, security or right of set-off given or undertaken directly or by way of counter-indemnity by a person to secure or support the obligations (actual or contingent) of any third party;
HMRC	His Majesty's Revenue & Customs;
Holdback Amount	an amount equal to CAD \$9,000,000;
Holding Company	a holding company as defined by section 1159 CA 2006 or a parent undertaking as defined by section 1162 CA 2006;
IAS	International Standards on Auditing as issued by the International Auditing and Assurance Standards Board;
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IFRS Accounts	the Accounts reconstituted on a consolidated basis for the Company and prepared in accordance with IFRS and audited in accordance with IAS, copies of which are at document 14.4.1 of the Data Room;
IFRS Management Accounts	interim consolidated financial statements of the Company for the nine-month period ended September 30, 2025, and the comparative 12-month period ended December 31, 2024, prepared in accordance with IFRS and reviewed in accordance with ISRE, copies of which are at document 14.4.2 of the Data Room;

Indemnity Policies

the indemnity insurance policies (provided where, if terms have not been confirmed on or before the date of this Agreement, such policies are available on reasonable commercial terms) to be put on risk by the relevant Group Company in respect of the following identified risks in connection with the Freehold Properties:

- (a) Pier House & Cottage:
 - (i) mines and minerals;
 - (ii) chancel repair;
 - (iii) flying freehold;
 - (iv) missing deeds;
 - (v) lack of planning permission for existing use;
 - (vi) breach of planning conditions;
 - (vii) potential breach of s106 agreement;
- (b) Haven House:
 - (i) mines and minerals;
 - (ii) contamination;
 - (iii) missing deeds;
- (c) Fathom House:
 - (i) contamination;
 - (ii) drainage search; and
- (d) Meridian House:
 - (i) contamination;

Intellectual Property

all the Intellectual Property Rights owned and/or used by any Group Company prior to the date of this Agreement;

Intellectual Property Rights

any design rights, trade marks, service marks, trade name, logo, right in relation to passing off, patents, registered designs, copyright, image rights, moral rights, rights in databases, utility models, rights in software, domain name, rights in confidential information (including know-how and/or trade secrets) or rights of privacy and all similar or equivalent rights, whether registered or not and including all applications (or rights to apply) for, or renewal or extension of, such rights which exist now in the United Kingdom and all other applicable countries in the world;

Interim Period	the period from (and including) the date of this Agreement up to (and including) the Completion Date or, if earlier, the date of termination of this Agreement in accordance with its terms;
IP Assignment	the deed of assignment of Intellectual Property Rights relating to the unmanned small waterplane area twin hull vessel to be entered into prior to Completion by (1) Sonardyne International Limited and (2) the Seller, in a form agreed between the Buyer and the Seller (each acting reasonably and in good faith);
ISRE	International Standard on Review Engagements as issued by the International Auditing and Assurance Standards Board;
Issue Price	CAD \$8.50 per Consideration Share;
IT Systems	any computer hardware, software (including Third Party Software), operating systems, firmware, devices, networking equipment or software, platforms or systems provided "as a service" used by any Group Company for any purpose in the operation and support of its business;
ITAR Condition	the expiry of the ITAR Period without the DDTC taking any action adversely impacting said change of control registration;
ITAR Filing	the notification filed with the DDTC pursuant to 22 C.F.R. § 122.4(b) by the Seller on 5 February 2026;
ITAR Period	the period beginning on 5 February 2026 and ending on 6 April 2026;
Key Officers	each of the individuals in the list of key officers as identified by the Buyer and communicated to the Seller in the Agreed Form;
Landlord Consent	the consent to be provided by Tektel Limited to Sonardyne International Limited in the Agreed Form in respect of security to be granted over the Leasehold Property known as Ocean House in connection with the Debt Financing on or before Completion;
Leasehold Properties	the Properties listed in Part 2 of Schedule 6;
Lock-Up Agreement	the lock-up agreement to be entered into between the Buyer and the Seller at the Effective Time, in the form attached hereto as Schedule 11;
Long Stop Date	31 December 2026;
Losses	any liabilities, claims, direct losses, reasonably and properly incurred costs and expenses (including reasonably and properly incurred legal and other professional costs and expenses), damages and demands, assessments, liens, penalties and fines, in each case together with any irrecoverable VAT on them;
Management Accounts	the unaudited consolidated financial statements of the Group for the 9 month period ending 30 September 2025, prepared in

accordance with Accounting Standards, copies of which are at document 14.4.2 of the Data Room;

Material Adverse Effect

where any event, circumstance, change or combination thereof causes or has the effect of:

- (a) reducing the Group's EBITDA by more than 15% compared to the IFRS Accounts; or
- (b) reducing the Group's revenue by more than 15% compared to the IFRS Accounts; or

excluding, in any such case, any event, circumstance or change or combination thereof to the extent resulting from:

- (c) changes in the stock markets, interest rates, exchange rates, commodity prices or other general economic conditions;
- (d) changes in conditions generally affecting the industry in which the Group operates;
- (e) the occurrence of any event of terrorism, natural disaster, or other calamity or crisis (including but not limited to political crises) adversely impacting financial, political or economic conditions; or
- (f) changes in laws, regulations or accounting standards or practices,

unless it relates primarily to (or has the effect of relating primarily to) the Group, taken as a whole, or adversely affects the Group, taken as a whole, disproportionately, compared to other businesses operating in the same industry as the Group, taken as a whole;

Material Adverse Event

any event, circumstance, change or combination thereof (whether existing or occurring on or after the date of this Agreement) which has, or in the reasonable opinion of the Buyer acting in good faith is reasonably likely within the period of 6 months following such event, circumstance or change (or in the event of a combination of such events, circumstances or changes 6 months from the latest to occur) to have, a Material Adverse Effect, save to the extent that such event, circumstance, change or combination thereof arises as a result of compliance with the provisions of this Agreement;

Maximum Cash Amount

an amount equal to £15,000,000;

Minimum Cash Amount

an amount equal to £10,000,000;

Minority Interests

means the shares held by a Group Company in the capital of each of Brightline Diagnostics Limited, Dynautics Ltd and Lumasys Inc, as set out in Schedule 2;

Modern Slavery

means slavery, servitude, forced or compulsory labor, and human trafficking, as each is defined in the Modern Slavery Act 2015 (including conduct that would constitute an offense under

	sections 1, 2 or 4 of that Act), and includes any exploitation amounting to debt bondage, child labor that is unlawful, or other substantially similar practices, and any analogous conduct prohibited by any applicable Enactments;
Modern Slavery Laws	means any laws, regulations, conventions or codes in any part of the world related to combating slavery and human trafficking, including the Modern Slavery Act 2015;
Nominated Account	the Seller's account notified to the Buyer in writing by the Seller or the Seller's Solicitor at least 10 Business Days prior to Completion;
Non-Cash Consideration	an amount equal to CAD \$135,000,000, which shall be satisfied in full by the issue of the Consideration Shares;
NSIA	means the National Security and Investment Act 2021;
NSIA Condition	the Buyer having received: <ul style="list-style-type: none"> (a) confirmation from the Chancellor of the Duchy of Lancaster under section 14(8)(b)(ii) of the NSIA that no further action will be taken in respect of any notification made by the Buyer in respect of the transactions contemplated by this Agreement; or (b) in the event that a call-in notice, described in section 14(8)(b)(i) of the NSIA, is issued, the Chancellor of the Duchy of Lancaster giving either: (i) a final notification under section 26(1)(b) of the NSIA; or (ii) a final order under section 26(1)(a) of the NSIA in accordance with section 26(3) of the NSIA, which the Buyer (acting reasonably and in good faith) considers would not have a material adverse impact upon the transactions contemplated by this Agreement;
Official Requirement	any Enactment, ordinance, pact, decree, treaty, code, directive, order, rule, notice or official published plan or policy with legal or actual force in any geographical area and/or over any class of persons, including Exchange rules and policies;
Personal Data	any data held by any Group Company or sold or otherwise transferred or disclosed to the Buyer under or in contemplation of this Agreement which falls within the definition of "personal data", "sensitive personal data" or "special categories of data" given in the Data Protection Laws;
Pre-Completion Intragroup Documents	the documents to implement the pre-completion steps to be taken by the Seller set out in the steps plan in the Agreed Form in connection with the repayment of the intragroup debt and the extraction of Cash from the Group, in a form agreed between the Buyer and the Seller (each acting reasonably and in good faith);
Premium and Fees	an amount equal to [Redacted – Commercially Sensitive Information], being the underwriting fees and expenses of the

	W&I Insurer, insurance premiums, insurance premium taxes and brokerage commissions relating to the W&I Policy;
Processing	has the meaning given in the Data Protection Laws and " Processor " and " Processed " shall be construed accordingly;
Prohibited Area	each of: <ul style="list-style-type: none"> (a) the United Kingdom; and (b) Denmark;
Properties	the freehold properties and the leasehold properties details of which are respectively set out in Part 1 and Part 2 of Schedule 6;
Purchase Price	has the meaning given in clause 5.1;
Recognised Investment Exchange	has the meaning given in section 285(1) of the Financial Services and Markets Act 2000;
Relevant Authority	any person or authority (including any nation, national or local governmental or international organisation and any subdivision or agency or executive arm of any of them, any court or judicial officer, any regulatory or supervisory body, any securities exchange or self-regulatory authority) with legal or de facto power to impose and/or enforce compliance with any Official Requirement;
Relevant Breach	any event, matter or circumstance which is inconsistent with, contrary to or otherwise a breach of, any of the Warranties;
Relevant Substance	any substance (whether in a solid or liquid form or in the form of a gas or vapour and whether alone or in combination with any other substance) or waste which is capable of causing harm or damage to the Environment;
Remedial Works	any measures to investigate, monitor, remove, remedy, clean up, abate, contain, prevent, treat, mitigate or ameliorate the presence or effect on the Environment of any pollution or contamination including the removal, treatment and disposal of material (including any Relevant Substance);
Representative Body	any trade union, staff association, staff council, works council, information and consultation body and any other work representatives relating to any person employed or engaged by or in any Group Company;
Resignation Letter	the proforma resignation letter in the Agreed Form, the terms upon which a director, officer or secretary of a Group Company will resign from their respective office with effect from Completion and such letter shall include an acknowledgement that there are no claims outstanding including for compensation for loss of office;
Restricted Cash	any restricted or encumbered cash or cash equivalents (including cash posted as security or collateral, cash securing letters of credit, guarantees or surety bonds and cash held in

escrow or restricted accounts), in each case to the extent that such cash amounts cannot be accessed within 30 days and access does not require provision of additional collateral or assumption of additional liabilities by any Group Company or any member of the Buyer's Group;

Restricted Products

- (a) all products which are manufactured, produced, distributed or sold by any Group Company at the Completion Date or any time in the period of 12 months immediately prior to the Completion Date; and
- (b) any other products which are of a type substantially similar to and competing with any of the products referred to in paragraph (a) above;

Restricted Services

- (a) all services which are or have been supplied by any Group Company at the Completion Date or any time in the period of 12 months immediately prior to the Completion Date; and
- (b) any other services which are of a type substantially similar to and competing with any of the services referred to in paragraph (a) above;

Restrictive Covenant Agreements

the restrictive covenant agreements in the Agreed Form to be entered into between the Buyer, the Company and each of the Beneficial Owners whereby the Beneficial Owners will provide non-compete and non-solicitation covenants in favour of the Buyer and the Company;

Sale Shares

28,000,001 ordinary shares of £1.00 each in the capital of the Company, being the entire issued and outstanding share capital of the Company;

Sample Completion Accounts Statement

the illustrative sample statement prepared in accordance with the Accounting Standards setting out the amount of the Cash, Debt and Working Capital, together with the resulting calculation of the Cash Consideration in the form set out in Schedule 10;

Sanctions

any laws or regulations relating to economic or financial sanctions, export controls, trade embargoes or restrictive measures imposed, administered or enforced from time to time by a Sanctions Authority;

Sanctions Authority

the UK, the United Nations and any other government authority with jurisdiction over any Group Company and in each case their respective governmental, judicial or regulatory institutions, agencies, departments and authorities, including the United Nations Security Council, His Majesty's Treasury and the UK's Office of Financial Sanctions Implementation and Department for International Trade;

Seller Compliance Certificate has the meaning ascribed to it in clause 2.1(e);

Seller's Solicitors

Osborne Clarke LLP, One London Wall, London EC2Y 5EB;

Subsidiaries	the subsidiaries specified in Part 2 of Schedule 2 (excluding the Minority Interests);
subsidiary	a subsidiary as defined by section 1159 CA 2006 or a subsidiary undertaking as defined by section 1162 CA 2006;
Surviving Clauses	Clause 1 (Definitions and Interpretation), Clause 12 (Announcements and Confidentiality), 14 (Notices), 15 (Entire Agreement), 17 (Severability), 20 (Successors, Assigns and Third Party Rights) 21 (Applicable Law and Submission to Jurisdiction);
Target Working Capital	an amount equal to [Redacted – Commercially Sensitive Information];
Tax	has the meaning given in Part 1 of Schedule 7;
Tax Covenant	the covenant by the Seller contained in Part 1 of Schedule 7;
Tax Warranties	the Warranties contained in Part 2 of Schedule 7 and each a "Tax Warranty";
Third Party Software	any software used by any Group Company the Intellectual Property Rights in which are owned by a third party;
Transaction	the transaction contemplated by this Agreement;
Transaction Bonus Amount	the sum of [Redacted – Commercially Sensitive Information], being the maximum amount of (i) the maximum aggregate amount payable by the Group in respect of the Transaction Bonuses as set out in the Transaction Bonus Letters (such amount being inclusive of all Employee Bonus Liabilities); and (ii) all Employer Bonus Liabilities which shall arise in connection with the same;
Transaction Bonuses	the bonuses payable by the Group to certain employees of the Group in connection with the Transaction;
Transaction Bonus Letters	the letters in Agreed Form relating to the Transaction Bonuses;
Transaction Bonus Schedule	the schedule in the Agreed Form setting out the beneficiaries of the Transaction Bonuses, the Transaction Bonus Amount payable to each beneficiary at each Bonus Payment Date, currency of payment and the legal entity responsible for such payment;
Transaction Conditions	has the meaning ascribed to it in clause 2.1;
Transaction Expenses	all fees, costs and expenses (including all legal fees and expenses, all fees and expenses payable to any broker or finder, and all fees and expenses of any audit firm or accountants) that have been incurred by the Group (and for greater, certainty, not by the Seller) in connection with negotiating this Agreement and the sale of the Sale Shares on behalf of or for the benefit of the Seller which are outstanding and have not been fully paid;

TULRCA	Trade Union and Labour Relations (Consolidation) Act 1992;
UK Public Procurement Law	any Official Requirement from time to time regulating the public procurement of services, supplies or works in the United Kingdom or any constituent country thereof, including the Procurement Act 2023 and all regulations and statements of policy made thereunder, the Public Contracts Regulations 2015, the Utilities Contracts Regulations 2016 and the Concession Contracts Regulations 2016 (in each case as amended), and any measure having regulatory or policy-making effect in the field of public procurement in Scotland;
UK Subsidy Control Law	any Official Requirements relating to the grant of subsidies in the United Kingdom by public authorities;
VAT	means value added tax imposed pursuant to VATA 1994 or any replacement or equivalent tax, in each case whether of the UK or any other jurisdiction;
VATA 1994	the Value Added Tax Act 1994;
W&I Insurers	each of: <ul style="list-style-type: none"> (a) CFC Underwriting Limited; (b) Chubb; (c) Liberty; (d) Berkshire Hathaway; (e) AIG; (f) EUCLID; (g) Beazley; (h) Icen; and (i) Brockwell;
W&I Policies	each of: <ul style="list-style-type: none"> (a) the warranty and indemnity insurance policy with respect to the Warranties and the Tax Covenant; (b) the first excess fundamental warranties top-up insurance policy with respect to the Fundamental Warranties; (c) the second excess fundamental warranties top-up insurance policy with respect to the Fundamental Warranties (d) the third excess fundamental warranties top-up insurance policy with respect to the Fundamental Warranties

- (e) the fourth excess fundamental warranties top-up insurance policy with respect to the Fundamental Warranties;
- (f) the fifth excess fundamental warranties top-up insurance policy with respect to the Fundamental Warranties,

in each case, issued by the W&I Insurers in favour of the Buyer on the date of this Agreement;

W&I Policy Contribution	the sum of [Redacted – Commercially Sensitive Information], being an amount equal to 50% of the Premium and Fees, and being the Seller's entire contribution to the Premium and Fees;
Warranties	the warranties contained in Schedule 3 and the Tax Warranties;
Worker	any person who is not an employee of any Group Company and personally performs work for any Group Company but who is not in business in their own account or in a client or customer relationship; and
Working Capital	the Current Assets minus the Current Liabilities, in each case (i) as at the Effective Time, (ii) as determined in accordance with Schedule 8 and (iii) as shown in the Completion Accounts Statement.

1.2 In this Agreement unless the context otherwise requires:

- (a) references to a clause or Schedule are to a clause of, or a schedule to, this Agreement, references to this Agreement include its Schedules and references in a Schedule or part of a Schedule to a paragraph are to a paragraph of that Schedule or that part of that Schedule;
- (b) references to this Agreement or any other document or to any specified provision in any of them are to this Agreement, that document or that provision as in force for the time being and as amended from time to time in accordance with their respective terms or, as the case may be, with the agreement of the relevant parties;
- (c) words importing the singular include the plural and vice versa, words importing a gender include every gender;
- (d) references to persons include individuals, trusts, body corporates, corporations, partnerships, governments, agencies of state or undertakings and other unincorporated associations or bodies of persons (whether or not having a legal personality and irrespective of the jurisdiction in which they are incorporated or exist);
- (e) any reference to a party is to a party to this Agreement named at its start, and includes its permitted assignees, successors in title or personal representatives;
- (f) the words and phrases "other", "including" and "in particular" shall not limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible;
- (g) references to "to the extent that" or any similar phrase indicates an element of degree and is not to be read as only introducing a condition;

- (h) a person is "connected" with another person if he is so connected within the meaning of sections 1122 and 1123 CTA 2010 or section 993 Income Tax Act 2007;
- (i) a reference to any Enactment shall include:
 - (i) any provision which it has re-enacted (with or without modification) or modified; and
 - (ii) that Enactment as re-enacted, replaced or modified from time to time, whether before, on or after the date of this Agreement,

but any such changes taking effect after the date of this Agreement shall not impose additional liabilities or obligations on any of the parties or (except as specified in clause 17) deprive any of them of any right, in each case under this Agreement;

- (j) references to books, records or other information include paper, electronically or magnetically stored data, film, microfilm, and information in any other form and references to "writing" or "written" include any other method of reproducing words in a legible and non-transitory form;
- (k) for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c) of CA 2006, a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) by way of security or in connection with the taking of security, or (b) its nominee. In the case of a limited liability partnership which is a subsidiary or subsidiary undertaking of a company or another limited liability partnership, section 1159 of the CA 2006 shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights;
- (l) references to a company include any company, corporation, or body corporate wherever incorporated or established; and
- (m) words and expressions defined in the CA 2006 shall, provided they are consistent with the subject or context, bear the same meaning in this Agreement.

1.3 The contents table and the descriptive headings to clauses, schedules and paragraphs in this Agreement (and notes in brackets describing the subject matter of any Enactment) are inserted for convenience only, have no legal effect and shall be ignored in interpreting this Agreement.

1.4 Where any party gives in this Agreement any indemnity in favour of any other party, the obligation of the indemnifying party shall be to make the relevant payment promptly in full on demand and without any set-off, counterclaim or other deduction.

1.5 References in this Agreement to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept, state of affairs or thing shall in respect of any jurisdiction other than England be deemed to include whatever most closely approximates in that jurisdiction to the English legal term.

1.6 A reference to any English statute or enactment includes any equivalent or analogous laws or rules in any other jurisdiction to the extent that such jurisdiction is relevant to the transactions contemplated by this Agreement.

1.7 References in this Agreement to times of day are (unless otherwise specified) to London time.

1.8 For the purposes of this Agreement:

- (a) where it is necessary to determine the value of a relevant claim and the underlying cost, expense or liability of the relevant Group Company in respect of which the claim relates is expressed in a currency other than pounds sterling, the value of each such claim shall be translated into pounds sterling by reference to the Exchange Rate on the date that written notification of the relevant claim is sent to the Seller by the Buyer in accordance with paragraph 3.2 of Schedule 4 or, if such day is not a Business Day, on the Business Day immediately preceding such day;
- (b) any amounts included in the Cash Consideration in £ (pounds sterling) shall be converted into CAD using the Exchange Rate as of the Business Day preceding the Completion Date;
- (c) any payment made under clause 7.5 shall be calculated in £ (pounds sterling) and then converted into CAD using the Exchange Rate as of the Business Day preceding the Completion Date; and
- (d) in all other circumstances (including where it is necessary to determine whether a monetary limit or threshold set out in Schedule 3 or Schedule 4 has been reached or exceeded (as the case may be)), references to any monetary sum expressed in £ (pounds sterling) shall, where such sum is referable in whole or in part to a particular jurisdiction outside the United Kingdom, be deemed to be a reference to an equivalent amount in the local currency of that jurisdiction translated at the Exchange Rate on the date of this Agreement.

1.9 If the date on which any payment is due or any action is required to be taken under this Agreement is not a Business Day, such payment shall be due, and such action shall be required, on the next succeeding Business Day. All payments under this Agreement shall be in CAD, unless the parties agree otherwise in writing.

2 CONDITIONS

2.1 The sale and purchase of the Sale Shares is conditional in all respects on:

- (a) no Material Adverse Event having occurred;
 - (b) satisfaction of:
 - (i) the CFIUS Condition;
 - (ii) the Danish FDI Condition;
 - (iii) the NSIA Condition; and
 - (iv) the ITAR Condition,(the "**FDI Conditions**");
 - (c) the Exchange having provided its approval of the transactions contemplated in this Agreement, including, without limitation, the issuance of the Consideration Shares;
- (each a "**Transaction Condition**" and together the "**Transaction Conditions**"); and
- (d) no preliminary or permanent Official Requirement of any Relevant Authority which restrains, enjoins, prohibits or otherwise makes illegal the consummation of the transactions contemplated by this Agreement being in force on the Completion Date;

- (e) the Seller having delivered written evidence to the Buyer, in the form of bank account statements dated on the Completion Date, that the Cash available to the Group is not lower than the Minimum Cash Amount;
- (f) the Seller having performed and complied in all material respects with all covenants, conditions and agreements required by this Agreement to be performed by, or complied with, by the Seller on or prior to the Completion Date, including, for greater certainty, compliance with the provisions of paragraph 1 of Schedule 5, and the Seller shall have provided to the Buyer a certificate dated the Completion Date executed by a senior officer (without incurring personal liability) to the foregoing effect (a "**Seller Compliance Certificate**");
- (g) the Buyer shall have performed and complied in all material respects with all covenants, conditions and agreements required by this Agreement to be performed or complied with by the Buyer on or prior to the Completion, and the Buyer shall have provided to the Seller a certificate dated the Completion Date executed by a senior officer (without incurring personal liability) to the foregoing effect (a "**Buyer Compliance Certificate**"),

(the "**Completion Condition**" and together the "**Completion Conditions**" and, together with the Transaction Conditions, the "**Conditions**").

Transaction Conditions

- 2.2 The Buyer and the Seller shall, and the Seller shall procure that each member of the Group shall, use reasonable endeavours, and take any and all steps reasonably necessary, to procure that each of the Transaction Conditions is satisfied as soon as possible following the date of this Agreement and in any event prior to the Long Stop Date.
- 2.3 The Seller shall provide assistance to, consult and co-operate, with the Buyer, as the Buyer may reasonably request, in connection with the satisfaction of the FDI Conditions, in particular by promptly providing all such true and accurate data and information which the Buyer or its representatives or a Relevant Authority requests for the purposes of procuring the fulfilment of the FDI Conditions. The Seller shall further keep the Buyer informed promptly of any developments, facts or circumstances which are material or reasonably likely to be material to satisfying the FDI Conditions, including if any act or omission causes the information contained in the filings related to the FDI Conditions to be untrue, inaccurate, or misleading.
- 2.4 The Buyer shall use reasonable endeavours to procure the fulfilment of the FDI Conditions, and in particular, the Buyer shall:
 - (a) to the extent not submitted prior to the date of this Agreement, prepare and submit a notification to the Relevant Authorities as soon as possible, and subject to the Seller providing all necessary information to the Buyer in a timely manner;
 - (b) use reasonable endeavours to avoid the rejection of the notification by the Relevant Authorities;
 - (c) promptly respond to any further information received from the Relevant Authorities or any questions, requests for further information and correspondence from the Relevant Authorities, and if appropriate meet with the Relevant Authorities; and
 - (d) not withdraw, amend or supplement any submission made to the Relevant Authorities, insofar as it relates to the Group, without obtaining the prior written consent of the Seller.

However, for the avoidance of doubt the Buyer shall not (to the extent commercially detrimental to the Buyer or the Buyer's Group) be required to give or agree to any commitments, undertakings, measures, obligations, modifications, conditions, remedies or assurances to or

with a Relevant Authority for the purposes of procuring fulfilment of the FDI Conditions, unless the Buyer decides in its absolute discretion to do so.

- 2.5 The Seller shall, in cooperation with the Buyer, promptly respond to any enquiry raised by the DDTC and provide the requested information during the ITAR Period.
- 2.6 The Buyer shall be responsible for the payment of all filing, administrative and similar fees required in connection with satisfaction of the FDI Conditions but, for the avoidance of doubt, the Buyer and the Seller shall each be responsible for its own costs of preparing, reviewing and commenting on any filings, notifications, submissions, correspondence or communications intended or required to be submitted or made in connection with satisfaction of the FDI Conditions.
- 2.7 To the extent permitted by law and provided that the co-operation between the Buyer and the Seller will be conducted in a manner reasonably designed to preserve applicable lawyer/client and lawyer work product privileges and to limit the exchange of any competitively sensitive information, as well as any applicable obligations towards confidentiality, the Buyer shall keep the Seller reasonably advised of the progress towards the satisfaction of the obligations under clause 2.4 and agrees:
- (a) to promptly provide the Seller with copies of all material communications with the Relevant Authorities;
 - (b) insofar as reasonably practicable, to allow the Seller a reasonable opportunity to comment in advance on any submission to be made in connection with the FDI Conditions and take due account of any comments or suggested amendments that the Seller may have (provided that the Buyer shall act in good faith and act reasonably, but shall not be obliged to implement or follow any such comments);
 - (c) to promptly inform the Seller of:
 - (i) developments which are material or reasonably likely to be material to the satisfaction of the FDI Conditions; and
 - (ii) the satisfaction of the FDI Conditions.
- 2.8 If, at any time, any party becomes aware of any fact or circumstance which is or may be material to, or which might reasonably be expected to affect, delay, impede or in any way prejudice, the satisfaction of one or more of the Conditions by the Long Stop Date, that party shall give notice to the other parties of the matter promptly and in any event within two Business Days of becoming aware of the same.
- 2.9 Each party shall give notice in writing to the other party of the satisfaction of a Transaction Condition as soon as reasonably practicable after and, in any event, within two Business Days after becoming aware of the same.
- 2.10 If any Transaction Condition is not satisfied on or before the Long Stop Date either the Seller (other than if the relevant Transaction Condition is that described in clause 2.1(a)) or the Buyer may elect to terminate this Agreement by giving written notice to the Buyer or the Seller (as the case may be) and:
- (a) except for this clause 2.10 and the Surviving Clauses, all the provisions of this Agreement shall lapse and cease to have effect; and
 - (b) neither the lapsing of those provisions nor their ceasing to have effect shall affect any accrued rights or liabilities of the parties in respect of damages for breach or any other rights and remedies available to it.

Completion Conditions

- 2.11 If a party (a "**Defaulting Party**") fails to comply with its obligations set out in (in the case of the Seller) clause 2.1(f) and (in the case of the Buyer) clause 2.1(g) (as applicable) (a "**Completion Condition Breach**") and such Completion Condition Breach has not been remedied to the reasonable satisfaction of the other party (the "**Non-Defaulting Party**") on or prior to the Completion Date, the Non-Defaulting Party may (at its sole discretion):
- (a) defer the Completion Date until the Completion Condition Breach has been remedied to its reasonable satisfaction (in which case the provisions of clause 5.1 and Schedule 5 shall apply to Completion so deferred); or
 - (b) elect to terminate this Agreement by giving written notice to the Defaulting Party and:
 - (i) except for this clause 2.11 and the Surviving Clauses, all the provisions of this Agreement shall lapse and cease to have effect; and
 - (ii) neither the lapsing of those provisions nor their ceasing to have effect shall affect any accrued rights or liabilities of the parties in respect of damages for breach or any other rights and remedies available to it.

3 SALE OF THE SALE SHARES

- 3.1 The Seller shall sell to the Buyer with full title guarantee and the Buyer shall purchase from the Seller the Sale Shares.
- 3.2 The Seller covenants with the Buyer that the Sale Shares shall be sold and transferred free from all Encumbrances and the transfer of the Sale Shares to the Buyer shall be deemed to include expressly and be made subject to the provisions of this clause 3.2.
- 3.3 Any risk attaching to the Sale Shares shall pass on Completion and the Sale Shares shall be sold and purchased together with all rights and benefits attached or accruing to them at Completion (including the right to receive any dividends, distributions or returns of capital declared, paid or made by the Company on or after Completion).
- 3.4 The Buyer shall not be obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously.

4 PRE-COMPLETION PROVISIONS

- 4.1 On the date of this Agreement:
- (a) the Seller shall deliver, or cause to be delivered, to the Buyer:
 - (i) a copy of the Disclosure Letter, duly executed by the Seller;
 - (ii) a copy of the resolutions, in the Agreed Form, of the minutes recording the resolution of the Board of Directors of the Seller approving the execution and delivery of this Agreement and any of the Agreed Documents to be delivered by the Seller on the date of this Agreement;
 - (b) the Buyer shall deliver, or cause to be delivered, to the Seller:
 - (i) a duly acknowledged receipt of the Disclosure Letter, signed on behalf of the Buyer;

- (ii) a copy of the resolutions, in the Agreed Form, of the Buyer's board of directors approving the execution and delivery of this Agreement and any of the Agreed Documents to be delivered by the Buyer on the date of this Agreement;
- (iii) a copy of the resolutions, in the Agreed Form, of the Parent's board of directors approving the execution and delivery of this Agreement and any of the Agreed Documents to be delivered by the Parent on the date of this Agreement;
- (iv) an extract of the W&I Policy evidencing the waiver by the W&I Insurer of their rights of subrogation against the Seller (except in the case of fraud or fraudulent misrepresentation by the Seller); and
- (v) evidence of the Buyer's committed Debt Financing in the Agreed Form.

4.2 The Seller undertakes to the Buyer that for the duration of the Interim Period, it shall to the extent it is lawfully and reasonably able to do so by the exercise of its voting rights and powers of control:

- (a) procure that each Group Company carries on its business in the normal course (subject to clause 4.3);
- (b) cause each Group Company to comply in all material respects with all laws applicable to its business;
- (c) apply for, maintain in good standing, and renew all licences, permissions and consents legally required for the carrying on of the business of each Group Company;
- (d) promptly notify the Buyer in writing of any adverse material change in the business, financial position and/or assets of any Group Company; and
- (e) not induce, or attempt to induce (whether directly or indirectly), any director, manager or senior employee or consultant of any Group Company to terminate their employment,

unless the prior written consent of the Buyer is given to the contrary in accordance with clause 4.4.

4.3 The Seller shall to the extent within its control, and subject to applicable law, procure that, for the duration of the Interim Period, no Group Company shall carry out any of the matters set out in Schedule 9 without the prior written consent of the Buyer in accordance with clause 4.4.

4.4 For the purposes of clause 4.2 or clause 4.3, any prior written consent of the Buyer required by the Seller and/or a Group Company shall be sought by sending an email identifying itself as a request under clause 4.2 or clause 4.3 of this Agreement attaching all supporting documentation in connection with such request to the Buyer at [Redacted – Personal Information] (each a "**Buyer Authorised Person**") and an email in reply from any one such person granting consent to the relevant matter or request shall constitute the consent of the Buyer to such matter or request.

4.5 Following a request for written consent in accordance with clause 4.4, consent shall be deemed to have been given to the Seller and/or the relevant Group Company if:

- (a) such consent has neither been granted nor denied or further information has not been requested by a Buyer Authorised Person within five (5) Business Days of the request being made to the Buyer in accordance with clause 4.4; or
- (b) where a request for further information has been made by the Buyer to the Seller and/or the relevant Group Company within five (5) Business Days of the request being made

to the Buyer in accordance with clause 4.4, consent has neither been granted nor denied by a Buyer Authorised Person within five (5) Business Days of the receipt by the Buyer Authorised Persons of all additional information reasonably requested by the Buyer; or

- (c) where such consent relates to a matter that requires urgent action on the part of the Seller or any Group Company in an emergency scenario or in extreme or rapidly changing external or market circumstances, in each case which would have or could reasonably have a Material Adverse Effect on a Group Company, if such consent has neither been granted nor denied by a Buyer Authorised Person within two (2) Business Days of the request being made to the Buyer in accordance with clause 4.4 (provided always that the request identifies itself in any subject heading as an urgent matter requiring consent in an emergency or extreme scenario).

4.6 Nothing in clauses 4.2 or 4.3 shall restrict or prevent:

- (a) the completion or performance of any actions required or undertaken in connection with this Agreement and the Agreed Documents;
- (b) the completion or performance of any obligations required to be undertaken pursuant to any contract or arrangement entered into by any Group Company prior to the date of this Agreement in the ordinary course of business; or
- (c) the carrying out of any act or the undertaking of any matter required by any Official Requirement or otherwise by a Relevant Authority.

4.7 The Seller shall, to the extent within its control, and subject to applicable law, cause each Group Company to provide cooperation reasonably requested by the Buyer (including but not limited to the provision of all information, records and assistance reasonably required) in connection with obtaining Exchange approval, the listing of the Consideration Shares, the Debt Financing, the filing of a prospectus supplement in respect of the Equity Financing (including the financial information of the Group to be disclosed in such prospectus supplement), and any material change report or other continuous disclosure document required by Official Requirements (including but not limited to preparing, filing and obtaining any applicable clearance in connection therewith), provided that no such cooperation shall:

- (a) require disclosure of privileged information, competitively sensitive or unnecessary Personal Data;
- (b) require the Seller or any Group Company to enter into any agreement, incurrance of liability or commitment prior to Completion; or
- (c) create any representation, warranty or responsibility under applicable securities laws beyond those expressly set out in this Agreement.

4.8 Each party to this Agreement will take or cause to be taken all reasonable actions that are within its power to control, and will use reasonable endeavours to cause actions to be taken that are not within its power and control, to satisfy the conditions in Schedule 5 and clause 2.1.

4.9 The Seller shall use reasonable endeavours to obtain the Change of Control Consents during the Interim Period. The Seller shall provide a copy of all correspondence with the applicable counterparties and the executed Change of Control Consent to the Buyer promptly following receipt.

4.10 Promptly following December 31, 2025, the Seller shall prepare annual consolidated financial statements of the Group for financial years ended December 31, 2025 and 2024, prepared in accordance with IFRS, and promptly engage its auditors to audit such financial statements in accordance with IAS, with a view to delivering such financial statements and the auditor's report

thereon to the Buyer no later than April 14, 2026. The Buyer shall reimburse the Seller for 50% of such auditor's fees and expenses promptly following receipt of such invoices, provided that such fees and expenses are reasonable (having regard to the nature and scope of the work performed) and that the Seller provides documented evidence of same (including copies of invoices).

- 4.11 The collection, use and disclosure of Personal Data by any party to this Agreement before the Completion is restricted to those purposes that relate to the transactions contemplated by this Agreement.
- 4.12 The Seller shall use reasonable endeavours to, and shall use reasonable endeavours to procure that each Group Company shall:
- (a) distribute all Cash in excess of (approximately) the Minimum Cash Amount to the Seller prior to Completion and written evidence of such distributions made in compliance with all Official Requirements shall be provided to the Buyer on or prior to Completion; and
 - (b) ensure that on Completion the Cash available to the Group is not lower than the Minimum Cash Amount.
- 4.13 If the Seller fails to comply with its obligations set out in clause 4.2 or 4.3 (an "**Interim Period Breach**") and such Interim Period Breach has not been remedied to the reasonable satisfaction of the Buyer prior to the Completion Date, the Buyer may (at its sole discretion):
- (a) defer the Completion Date until the Interim Period Breach has been remedied to its reasonable satisfaction (in which case the provisions of clause 5.1 and Schedule 5 shall apply to Completion so deferred); or
 - (b) elect to terminate this Agreement by giving written notice to the Seller and:
 - (i) except for this clause 4.13 and the Surviving Clauses, all the provisions of this Agreement shall lapse and cease to have effect; and
 - (ii) neither the lapsing of those provisions nor their ceasing to have effect shall affect any accrued rights or liabilities of the Buyer in respect of damages for breach or any other rights and remedies available to it.
- 4.14 The Parent shall obtain the Exchange's acceptance of the issuance of the Consideration Shares and conditional listing therefore prior to Completion. For the period of time the Consideration Shares are subject to the Lock-Up Agreement or a period of 24 months following the Completion Date (whichever is shorter), Parent shall either use reasonable endeavours to maintain the listing of its common shares (including the Consideration Shares) on the Exchange or on the TSX, CSE, NYSE or Nasdaq (or any successor thereof), or release the Seller from the obligations under the Lock-Up Agreement prior to the delisting of its common shares. Notwithstanding the foregoing, Parent may consummate a consolidation, amalgamation, arrangement, business combination, sale of all or substantially all of its assets, take over bid, merger or similar transaction during such period, provided that Parent uses reasonable endeavours to structure such transaction so that the Consideration Shares or any securities issued in exchange therefor remain listed on an exchange specified above, or release the Seller from the obligations under the Lock-Up Agreement prior to consummation of such transaction. This covenant shall not be construed to require Parent's directors to breach their fiduciary duties under applicable law.

5 CONSIDERATION

- 5.1 The consideration for sale of the Sale Shares shall be the aggregate of:
- (a) the Base Cash Consideration:

- (i) plus an amount equal to the lower of (i) the Cash and (ii) the Maximum Cash Amount;
- (ii) less an amount equal to the Debt;
- (iii) plus the amount by which the Working Capital exceeds the Target Working Capital up to a maximum amount of £5,000,000, or minus the amount by which the Working Capital is less than the Target Working Capital;
- (iv) minus the W&I Policy Contribution; and
- (v) minus the Holdback Amount,

(the "**Cash Consideration**");

- (b) the Non-Cash Consideration; and
- (c) the Deferred Consideration (if any),

(the "**Purchase Price**").

5.2 The Purchase Price shall be satisfied by:

- (a) the payment to the Seller of the Cash Consideration in accordance with clauses 5.3 and 6.2; and
- (b) the issue of the Consideration Shares to the Seller.

5.3 The Buyer shall pay the Completion Payment to the Seller in cash on Completion on account of the Purchase Price in accordance with clause 6.2, and will deliver a direct registration system statement evidencing the registration of the Consideration Shares to the Seller, as directed by the Seller.

5.4 Any payments made in respect of any breach of or under this Agreement by the Seller, including but not limited to for each and any:

- (a) Relevant Breach; and
- (b) claim under the Tax Covenant,

shall be treated as an adjustment to the Purchase Price paid by the Buyer for the Sale Shares pursuant to Clause 5.1, if and to the extent allowable under applicable law, such that the Purchase Price shall be deemed to be reduced by the amount of any such payment made. Any such adjustments shall be allocated as an adjustment to the Cash Consideration payable under Clause 5.1(a) in priority to adjusting the Non-Cash Consideration.

5.5 With respect to the Consideration Shares, the Seller acknowledges and agrees that:

- (a) no prospectus has been filed with any Relevant Authority in connection with the offer and sale of the Consideration Shares, and the Seller is acquiring the Consideration Shares pursuant to an exemption from the prospectus requirements under applicable securities Enactments and, as a consequence: (i) it is restricted from using most of the civil remedies available under applicable securities Enactments; (ii) it may not receive information that would otherwise be required to be provided to it under applicable securities Enactments; and (iii) the Buyer is relieved of certain obligations that would otherwise apply under applicable securities Enactments;

- (b) it is acquiring the Consideration Shares as principal for its own account, and not for the benefit of any other person;
- (c) the Consideration Shares will be subject to certain resale restrictions under applicable securities Enactments, and the Seller agrees to comply with such restrictions;
- (d) it has been advised to consult its own legal advisors with respect to applicable resale restrictions and that it is solely responsible (and the Buyer is not in any manner responsible) for complying with such restrictions; and
- (e) any direct registration system statement evidencing the registration of the Consideration Shares shall bear, in addition to any legends required by the Lock-up Agreement, the following legend, subject to such amendment or changes as shall be approved by the Buyer or required under applicable securities Enactments:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [*the date which is four months and a day after the Completion Date*]"

6 COMPLETION

- 6.1 Completion shall take place remotely (or at such other place as the parties may agree) on the Completion Date when all (but not part, unless the parties shall so agree) of the business set out in Schedule 5 shall be transacted and the parties agree on the matters contained in Schedule 5.
- 6.2 Following compliance with the provisions of Schedule 5, the Buyer shall:
- (a) pay the Completion Payment to the Seller in accordance with clause 6.4; and
 - (b) deliver a direct registration system statement evidencing the registration of the Consideration Shares to the Seller, as directed by the Seller.
- 6.3 On or prior to the Completion Date, the Seller shall procure that:
- (a) the relevant Group Company pays the Existing Debt Amount to the Existing Debt Provider; and
 - (b) notwithstanding the repayment referred to in clause 6.3(a) above, the floating charge registered by any Group Company in favour of the Existing Debt Provider remains in place.
- 6.4 Any payments to be made by the Buyer to the Seller under this Agreement shall be paid by electronic funds transfer to the Nominated Account, and the payment of any such amount into that account shall discharge the relevant payment obligation of the Buyer and the Buyer shall have no obligation as to its distribution to the Seller.
- 6.5 The Seller:
- (a) confirms that neither it nor its connected persons has any claim of any kind (actual or contingent, known or unknown) against any Group Company; and
 - (b) irrevocably and unconditionally waives (and shall procure that its connected persons shall waive) with effect from Completion any such claim (actual or contingent known or unknown) against any Group Company.

7 COMPLETION ACCOUNTS AND ADJUSTMENT OF THE PURCHASE PRICE

- 7.1 No later than 10 Business Days following the date the last of the Transaction Conditions has been satisfied, the Seller shall prepare and deliver to the Buyer a written notice setting out its good faith estimates of the amount of the Cash, Debt and Working Capital, and the resulting calculation of the Completion Payment ("**Estimates Statement**"). The Estimates Statement shall be in the form of the Sample Completion Accounts Statement and be accompanied by reasonable supporting documentation and derived from, an estimated consolidated statement of financial position of the Group as at the Effective Time prepared in accordance with paragraph 4 of Schedule 8.
- 7.2 The Estimates Statement shall be accompanied by a certificate of the Chief Financial Officer of the Group, or other senior officer of the Group acceptable to the Buyer (in any case without personal liability), to the effect that the Estimates Statement reflects the Seller's good faith estimate of the Cash, Debt and Working Capital as at the Effective Time, prepared in accordance with paragraph 4 of Schedule 8.
- 7.3 The Buyer shall have a period of 10 Business Days (the "**Estimates Review Period**") following the date the Seller delivers the Estimates Statement to the Buyer in accordance with clause 7.1 to review the Estimates Statement and to discuss with the Seller any items which the Buyer disagrees with in the Estimates Statement and any adjustments which the Buyer considers are required to the Estimates Statement. To the extent any adjustments to the Estimates Statement are agreed during the Estimates Review Period, such adjusted Estimates Statement shall be deemed to be the Estimates Statement for the purpose of the Estimated Cash, Estimated Debt and Estimated Working Capital amounts. To the extent adjustments cannot be agreed the Estimates Statement provided in accordance with clause 7.1 shall remain the Estimates Statement for the purpose of the Estimated Cash, Estimated Debt and Estimated Working Capital amounts.
- 7.4 The parties shall procure that the Completion Accounts and the Completion Accounts Statement are prepared and agreed or determined (as the case may be) in accordance with Schedule 8.
- 7.5 The following payments shall be made on or before the Adjustment Date:
- (a) if the amount of the Cash Consideration as set out in the Completion Accounts Statement exceeds the Completion Payment, the Buyer shall (subject to clause 7.7) pay to the Seller an amount equal to the excess in accordance with clause 6.4; or
 - (b) if the amount of the Cash Consideration as set out in the Completion Accounts Statement is less than the Completion Payment, the Seller shall pay to the Buyer an amount equal to the shortfall.
- 7.6 Any payment due to the Buyer under clause 7.5 shall be made by electronic transfer to such account of the Buyer as is notified to the Seller by or on behalf of the Buyer before the Adjustment Date.
- 7.7 If, at the Adjustment Date, any amount is due for payment by the Seller to the Buyer in respect of a Determined Claim, the Buyer shall be entitled (at its sole discretion) to satisfy all (to the extent possible) or part of the Seller's outstanding payment obligation by way of set-off against any amount that is payable by the Buyer under clause 7.5(a), and to treat its obligation to pay that sum as being reduced pro tanto by the amount so set off.

8 POST-COMPLETION MATTERS AND FURTHER ASSURANCES

8.1 The Seller declares that for so long as it remains the registered holder of any of the Sale Shares after Completion it shall:

- (a) hold the Sale Shares and the dividends and other distributions of profits or surplus or other assets declared, paid or made in respect of them after Completion and all rights arising out of or in connection with them in trust for the Buyer;
- (b) deal with and dispose of the Sale Shares and all such dividends, distributions and rights as are described in clause 8.1(a) as the Buyer may direct; and
- (c) not exercise any rights in respect of the Sale Shares unless expressly directed to do so in writing by the Buyer.

8.2 The Seller appoints the Buyer as the Seller's lawful attorney for the sole purpose of exercising all or any rights attached to the Sale Shares including signing any written resolution (or receiving notices of and attending and voting at all meetings) of the members of the Company from Completion to the day on which the Buyer or its nominee is entered in the register of members of the Company as the holder of the Sale Shares and for that purpose the Seller authorises:

- (a) the Company to send any written resolutions, notices or other communications in respect of the Seller's holding of Sale Shares to the Buyer; and
- (b) the Buyer to complete in such manner as it thinks fit and to return written resolutions, proxy forms, consents to short notice and any other document required to be signed by the Seller in the Seller's capacity as a member,

and this power of attorney (which is given by way of security to secure the performance of obligations owed by the Seller to the Buyer under this Agreement) shall be irrevocable.

8.3 As soon as reasonably practicable following Completion the Seller shall (and shall procure that any relevant third party shall) send to the Company at its registered office for the time being all documents, correspondence, memoranda, files and other records to which any Group Company is entitled and which are not located at the Properties or delivered at Completion (whether or not referred to in Schedule 5).

8.4 The Buyer undertakes to the Seller for the period from Completion to the day on which the Buyer or its nominee is entered in the register of members of the Company as the holder of the Sale Shares not to take any action which incurs any liability or financial obligation on the part of the Seller and/or to re-register the Company as an unlimited liability company.

8.5 Following Completion, the Buyer shall procure that the Company (or another member of the Group which is the employer entity):

- (a) subject to clause 8.5(b), pays, in accordance with the Transaction Bonus Letters, the Transaction Bonuses (less the Employee Bonus Liabilities) to the recipients of the Transaction Bonuses via payroll on the next practical payroll date of the relevant member of the Group following each Bonus Payment Date; and
- (b) deducts and pays the Employee Bonus Liabilities arising from the payment of the Transaction Bonuses to the appropriate Tax Authority within the requisite timeframe.

8.6 Within 10 Business Days following the final Bonus Payment Date, the Buyer shall prepare and deliver to the Seller a written statement setting out the aggregate amount of Transaction Bonuses paid by any Group Company pursuant to clause 8.5 together with reasonable supporting documentation and a certificate of the Chief Financial Officer of the Buyer's Group confirming such amount paid.

- 8.7 If and to the extent that any amount of the Transaction Bonus Amount is not paid to any relevant recipient(s) in accordance with the terms of the Transaction Bonus Letters or to a Tax Authority (if and as applicable in respect of Employee Bonus Liabilities or Employer Bonus Liabilities), whether as a result of the relevant recipient having ceased to be entitled to a payment in accordance with the terms of the Transaction Bonus Letters, as a result of the aggregate amounts paid by the Buyer to the relevant recipients or the relevant Tax Authorities in accordance with 8.5(a) or 8.5(b) (together with any corresponding Employer Bonus Liabilities) being less than the Transaction Bonus Amount or otherwise, (a "**Transaction Bonus Shortfall**"), an aggregate amount equal to the Transaction Bonus Shortfall shall be paid by the Buyer to the Seller on the third anniversary of the Completion Date (or, if such day is not a Business Day, on the Business Day immediately following such day). Any payment due to the Seller under this clause 8.7 shall be made in cash by electronic transfer to such account of the Seller as is notified to the Buyer in writing by or on behalf of the Seller before the date such payment falls due.
- 8.8 The Buyer shall procure that all material books and records of any member of the Group relating to the period prior to Completion are preserved for seven years following the Completion Date. The Buyer shall, upon reasonable prior written notice, make available to the Seller any such books and records of any member of the Group (or, if practicable, the relevant parts of such books and records) to the extent that such books and records are reasonably required by the Seller for the purpose of:
- (a) completing or agreeing its tax returns;
 - (b) preparation of the Seller's accounts for the financial year ending 31 December 2025; or
 - (c) in order to comply with any statutory or regulatory obligations,
- and accordingly, the Buyer shall, upon being given reasonable prior written notice by the Seller and subject to the Seller giving such undertaking as to confidentiality as the Buyer shall reasonably require, procure that:
- (d) such books and records (or parts of such books and records) are made available to the Seller for inspection; and
 - (e) the Seller has access to certain personnel of the Group,
- in each case, during normal working hours and only to the extent necessary for such purpose at the Seller's expense.
- 8.9 The Seller shall execute all such documents and/or do such acts and things as the Buyer or the Company shall after Completion reasonably require in order to give effect to the transfer of the Sale Shares to the Buyer pursuant to this Agreement.
- 8.10 As soon as reasonably practicable following Completion and, in any event, no later than 5 Business Days following the Completion Date, the Seller shall change its corporate name to remove any reference to "Sonardyne".
- 8.11 Each of the Seller and the Buyer shall prepare and file with the DDTC notifications pursuant to § 122.4(a) and (c) within five (5) calendar days from the Completion Date.
- 8.12 The Seller shall, to the extent it is lawfully and reasonably able and at the Buyer's cost, promptly upon written request from the Buyer, provide reasonable assistance to the Buyer for the purposes of:
- (a) managing any claim made or to be made under the W&I Policy including the provision of all documents, correspondence, files and other records in its possession as may be

reasonably required in pursuance of such claim, provided always that the Seller shall not be required to disclose any legal advice or litigation privileged information; and

- (b) satisfying any conditions precedent or conditions subsequent in connection with the Debt Financing including the grant of security by each Group Company in favour of the lender (or its agent) under such Debt Financing.

8.13 Promptly following Completion, the Buyer and the Parent shall make all securities filings required to be made by the Buyer and the Parent in connection with the issuance of the Consideration Shares, including any Exchange filings, insider reports (if applicable), and any exempt distribution reports required under applicable securities Enactments, within applicable deadlines.

9 WARRANTIES

9.1 The Seller warrants to the Buyer that, so far as the Seller is aware, the Warranties are true and accurate as at the date of this Agreement.

9.2 The Seller warrants to the Buyer that, so far as the Seller is aware, the Warranties will be true and accurate on the Completion Date.

9.3 If at any time during the Interim Period the Seller becomes actually aware of a fact or circumstance which constitutes (or which is reasonably expected to constitute) a breach of Warranty, or which would cause (or is reasonably expected to cause) a Warranty to be untrue or inaccurate in all material respects, it shall promptly:

- (a) notify the Buyer in writing of the relevant fact or circumstance in sufficient detail to enable the Buyer to make an accurate assessment of the situation; and
- (b) if requested by the Buyer, use reasonable endeavours to remedy or prevent (as the case may be) the notified breach or anticipated breach.

9.4 Warranties qualified as being made "**so far as the Seller is aware**" or any similar expression are deemed to be given to the reasonable knowledge, information and belief of the Seller after it has made or has caused to be made due and careful enquiries of each of [Redacted – Personal Information] and:

- (a) the following managing directors or chief executive officers (as applicable) of the Subsidiaries (in each case only in respect of the relevant Subsidiaries listed below):
 - (i) [Redacted – Personal Information] – Sonardyne International Limited, Sonardyne Overseas Holdings Limited, Sonardyne Brazil Limited, Sonardyne Brazil Limitada, Sonardyne Inc., Sonardyne Asia PTE Ltd and Sonardyne GmbH;
 - (ii) [Redacted – Personal Information] – Chelsea Technologies Ltd, Wavefront Systems Limited, Forcys Limited, Forcys Inc., Forcys Australia Pty Ltd;
 - (iii) [Redacted – Personal Information] – Voyis Imaging Inc.;
 - (iv) [Redacted – Personal Information] – EIVA A/S, EIVA SGP Pte Ltd and Sensorsurvey A/S; and
- (b) the following individuals (in each case only in respect of the relevant Subsidiaries and Warranties listed below):

- (i) [Redacted – Personal Information] in respect of the Warranties in paragraphs 14 and 15 of Schedule 3 only – all Group Companies excluding Voyis Imaging Inc., EIVA A/S and EIVA SGP Pte Ltd;
- (ii) [Redacted – Personal Information] in respect of the Warranties in paragraph 26 of Schedule 3 only – Covelya Group Limited, Sonardyne International Limited, Chelsea Technologies Limited and Forcys Limited;
- (iii) [Redacted – Personal Information] in respect of the Warranties in paragraph 18 of Schedule 3 only – Sonardyne International Limited and Wavefront Systems Limited;
- (iv) [Redacted – Personal Information] in respect of the Warranties in paragraphs 5, 6, 14, 15 and 26 of Schedule 3 only - EIVA A/S; and
- (v) [Redacted – Personal Information] in respect of the Warranties in paragraphs 16 and 27 of Schedule 3 only – all Group Companies.

9.5 The Fundamental Warranties shall only be qualified to the extent that a specific disclosure is required to be made against such Fundamental Warranty in the Disclosure Letter or the Further Disclosure Letter and the Fundamental Warranties shall not be limited or qualified by any matter disclosed in the general disclosures or any other disclosure not specifically made against that Fundamental Warranty.

9.6 Except as provided in clause 9.5, the Warranties are qualified to the extent, but only to the extent, of those matters Fairly Disclosed:

- (a) in the case of the Warranties given pursuant to clause 9.1, in the Disclosure Letter; and
- (b) in the case of the Warranties given pursuant to clause 9.2, in the Further Disclosure Letter.

9.7 The Seller shall be entitled to deliver to the Buyer no later than ten Business Days prior to the Completion Date a draft of the Further Disclosure Letter in respect of the Warranties given pursuant to clause 9.2. The Further Disclosure Letter shall only contain disclosures in relation to events, information or matters that have occurred, developed or arisen in the Interim Period. The Seller shall not upload any documentation to the Data Room during the Interim Period unless specifically required for the purposes of providing a specific disclosure in the Further Disclosure Letter in respect of events that have occurred during the Interim Period, and in such case, shall upload such documentation to a segregated folder titled "Further Disclosure Letter".

9.8 Each of the paragraphs in Schedule 3 and in Part 2 of Schedule 7:

- (a) shall be construed as a separate and independent warranty; and
- (b) except as expressly provided otherwise in this Agreement, shall not be limited by reference to any other paragraph in Schedule 3 or in Part 2 of Schedule 7, or by any other provision of any Agreed Document,

and the Buyer shall have a separate claim and right of action in respect of every Relevant Breach.

9.9 The rights and remedies conferred on the Buyer under this Agreement:

- (a) are cumulative and are additional to, and not exclusive of, any rights or remedies provided by law or otherwise available at any time to the Buyer in respect of any Relevant Breach (including the right to damages for any loss or additional loss suffered by the Buyer); and

- (b) shall not be affected or limited by, and the amount recoverable shall not be reduced, on the grounds that the Buyer may before Completion have had constructive or imputed (but not actual) knowledge of the matter giving rise to the claim (subject to clause 9.5).
- 9.10 All claims by the Buyer for damages or compensation in respect of any Relevant Breach shall (subject to clause 9.5) be subject to the provisions for the protection of the Seller in Schedule 4 and, additionally, in relation to a Relevant Breach of a Tax Warranty, subject to the provisions for the protection of the Seller in Schedule 7.
- 9.11 The Warranties shall not in any respect be extinguished or affected by Completion.
- 9.12 The Seller agrees with the Buyer:
 - (a) that the giving by any Group Company and/or any of its directors, employees, agents or advisers to the Seller or its agents or advisers of any information or opinion in connection with the Warranties or the Agreed Documents or otherwise in relation to the business or affairs of any Group Company or in connection with the negotiation and preparation of the Agreed Documents shall not be deemed a representation, warranty or guarantee to any party of the accuracy of any such information or opinion;
 - (b) except in the case of fraud or fraudulent misrepresentation:
 - (i) to waive any right or claim which the Seller may have against any Group Company and/or any of its directors, employees, agents or advisers for any error, omission or misrepresentation in any such information or opinion; and
 - (ii) that any such right or claim shall not constitute a defence to any claim by the Buyer under or in relation to the Agreed Documents (including the Warranties).
- 9.13 The Buyer warrants to the Seller that:
 - (a) the Buyer has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement, and all necessary corporate action (including board approvals and, where required by any Official Requirement, shareholder approval) authorizing the execution, delivery and performance of the obligations under this Agreement have been duly taken;
 - (b) this Agreement constitutes a legal, valid and binding obligation of the Buyer enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency and general principles of equity; and
 - (c) the execution, delivery and performance of the obligations under this Agreement do not and will not conflict with or result in a breach of the articles, bylaws or other constating documents of the Buyer.
- 9.14 The Parent warrants to the Seller that:
 - (a) the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action on the part of the Parent and constitutes a legal, valid and binding obligation of the Parent, enforceable against the Parent in accordance with its terms, except insofar as enforceability may be limited by applicable bankruptcy, insolvency and other Enactments applicable to it affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction;
 - (b) as at Completion, all necessary corporate action will have been taken by the Parent to validly issue the Consideration Shares and, upon the issuance of the Consideration

Shares in accordance with the terms hereof, the Consideration Shares will be validly issued as fully-paid and non-assessable common shares;

- (c) the Exchange has provided its conditional approval for the Transaction and the issuance and listing of the Consideration Shares.
- (d) no securities commission or comparable authority has issued any order preventing or suspending the distribution of the Consideration Shares or the trading of the common shares of the Parent generally and, to the Parent's knowledge, there is no investigation, inquiry or proceeding for this purpose that has been commenced or which is pending, contemplated or threatened;
- (e) the issuance of the Consideration Shares to the Seller on Completion will be exempt from the prospectus requirements under securities Enactments applicable to it, and all applicable filings, notifications and fees required in connection therewith will be made or paid within applicable time limits;
- (f) the execution, delivery and performance of the obligations under this Agreement and the issuance of the Consideration Shares on Completion do not and will not conflict with or result in a breach of the articles, bylaws or other constating documents of the Parent or any applicable Official Requirement; and
- (g) the Parent has filed on SEDAR+ all documents required to be filed by it under applicable securities Enactments applicable to it. As of their respective dates, any documents filed by the Parent on SEDAR+ (including, for greater certainty, all associated exhibits and schedules and all documents incorporated by reference) were in all material respects accurate and omitted no material facts, the omission of which make any such documents or any particulars therein, misleading or incorrect at the time such statements were made.

10 TAX COVENANT

- 10.1 The Seller covenants with the Buyer in the terms of the Tax Covenant which, along with the provisions of Schedule 7 (*Tax Schedule*), shall take effect from Completion.

11 RESTRICTIVE COVENANTS

- 11.1 In order to protect the value of the Sale Shares and the Business Information the Seller covenants with each Group Company and the Buyer that without the prior consent in writing of the Buyer, the Seller shall not, directly or indirectly, whether itself, or by its employees or agents and whether on its own behalf or on behalf of any other person, firm or company or otherwise, for the period specified in clause 11.2:

- (a) carry on, be employed or otherwise engaged, concerned or interested in any capacity (whether or not for reward) in or provide any technical, commercial or professional advice to any business which is involved in the manufacture, production, distribution or sale of the Restricted Products or any of them or the supply of the Restricted Services or any of them in the Prohibited Area in competition with any Group Company;
- (b) in relation to the Restricted Products, the Restricted Services or any of them, solicit or canvass, accept orders from, be engaged with or otherwise deal with any person who:
 - (i) was a customer of or was otherwise doing business with any Group Company at any time during the twelve months prior to the Completion Date; or
 - (ii) at the Completion Date was in the process of negotiating or contemplating doing business with any Group Company;

- (c) solicit or entice away or attempt to solicit or entice away from any Group Company or employ or otherwise engage any director, manager or senior employee or consultant employed or otherwise engaged by any Group Company on the Completion Date, whether or not that person would commit any breach of any employment contract by leaving the employment of that Group Company;
 - (d) (subject to clause 11.6) employ or otherwise engage any person who at the Completion Date or during the twelve months preceding the Completion Date was employed or otherwise engaged by any Group Company and who as a result is or is reasonably likely to be in possession of any Business Information; or
 - (e) be employed or otherwise engaged in or provide assistance to any person who at the Completion Date or during the twelve months preceding the Completion Date was a supplier to or a customer of any Group Company.
- 11.2 The covenants in clause 11 shall apply for the period of 2 years from the Completion Date.
- 11.3 Nothing in clause 11.1 will prevent the Seller from:
- (a) holding for investment purposes only not more than 3% of any class of the shares or securities of any company traded on a Recognised Investment Exchange; or
 - (b) holding the Consideration Shares.
- 11.4 The Seller covenants with the Buyer that it shall not at any time after Completion directly or indirectly, whether itself, or by its employees or agents or otherwise:
- (a) subject to clause 11.11, carry on any trade or business or be associated with any person involved in any trade or business using the names "Covelya", "EIVA", "Voyis", "Forcys", "Wavefront", "Chelsea Technologies", "Sonardyne", "PropCov", "Brightline Diagnostics", "Lumasys" or "Dynautics" or any name incorporating any of the words in those trading names or any confusingly similar name, excluding holding the Consideration Shares;
 - (b) in the course of carrying on any trade or business, claim, represent or otherwise indicate any ongoing association with any Group Company, excluding holding the Consideration Shares;
 - (c) interfere with or seek to interfere with, the continuance of the supply of goods or services to or by any Group Company (or the terms of any such supply); or
 - (d) (subject to clause 11.6) without the consent of the Company or the Buyer use, whether on its own behalf or on behalf of any third party, or disclose to any third party, any Business Information or use, whether on its own behalf or on behalf of any third party, any Intellectual Property owned or used by a Group Company.
- 11.5 Subject to clause 11.6 the Seller covenants with each Group Company and (as a separate and independent covenant) the Buyer that, if any Group Company shall have obtained any Business Information from any third party under an agreement including any restriction on disclosure actually known to the Seller, the Seller shall not without the consent of the relevant Group Company or the Buyer infringe that restriction.
- 11.6 The restrictions in clauses 11.1(d), 11.4(d) and 11.5 shall not apply to any Business Information which is in or becomes part of the public domain, other than through a breach of the obligations of confidentiality set out in this Agreement.
- 11.7 The restrictions in clause 11.1(c) and 11.1(d) shall not apply to general solicitations to the general public for employment or consulting opportunity, provided such individuals are not

specifically targeted or in circumstances where such individual's employment has been terminated by a Group Company.

- 11.8 The Seller shall not procure or authorise any connected person or any other person, firm, corporation or organisation to do or procure to be done anything which if done by the Seller would be a breach of any of the provisions of this clause 11.
- 11.9 The restrictions in this clause 11 are for the benefit of, and enforceable by, the Buyer and each of its permitted assignees or successors in title.
- 11.10 The Seller agrees with the Buyer that the covenants in clauses 11.1 to 11.4 inclusive (on which the Seller confirms that it has received independent legal advice) are reasonable and necessary for the protection of the value of the Sale Shares, the Business Information and the goodwill of each Group Company and that having regard to that fact those covenants do not work harshly on it.
- 11.11 The Buyer acknowledges and agrees that:
- (a) The [Redacted – Commercially Sensitive Information] (the "**Foundation**") shall be permitted to retain its existing name until The Charity Commission has granted consent to change its name and/or the Foundation has been dissolved; and
 - (b) this shall not constitute a breach by the Seller of clause 11.4.
- 11.12 The Seller shall use reasonable endeavours to procure:
- (a) the change of name of the Foundation; or
 - (b) the dissolution of the Foundation,
- within 12 months of Completion, subject to consent from The Charity Commission.

12 ANNOUNCEMENTS AND CONFIDENTIALITY

- 12.1 Each party shall consult with the other party prior to issuing, or causing to be issued, any press releases or public statements relating to any matter provided for in any Agreed Document, or the transactions contemplated by this Agreement and shall provide the other party with advance drafts of any such press releases or public statements, and will provide the Buyer (in the case of a statement or announcement by a Group Company) or the Seller (in the case of a statement or announcement by the Buyer) with a reasonable period of time to review and comment on all such press releases or statements in advance of issue and shall consider in good faith and incorporate all reasonable comments of the other party. To the extent that any such press release or public statement is required by applicable any Official Requirement or by any Relevant Authority, the press release or public announcement shall be issued or made after consultation with the Buyer (in the case of a statement or announcement by a Group Company) or the Seller (in the case of a statement or announcement by the Buyer), and after considering in good faith and not unreasonably rejecting the other party's comments. If such advance consultation is not reasonably practicable or legally permitted, to the extent permitted by applicable Official Requirements, the disclosing party shall provide the other parties with a copy of any written disclosure made by such disclosing party as soon as practicable after it is made. The parties acknowledge that the Buyer will file on SEDAR+ this Agreement with only such redactions as are permitted by applicable securities Enactments, a material change report relating to the transactions contemplated by this Agreement, a prospectus supplement in respect of the Equity Financing and a business acquisition report.

12.2 Each party shall (without limit in time, but subject to clause 12.4) keep and procure to be kept secret and confidential all Confidential Information:

- (a) belonging to the other party; or
- (b) disclosed or obtained as a result of the discussions and negotiations leading to the execution of, or the performance of, this Agreement,

and shall neither use nor disclose any such Confidential Information except for the purposes of the proper performance of this Agreement or with the prior written consent of the other party, save that the Buyer may use and disclose Confidential Information pursuant to its obligations under the W&I Policy and/or in connection with any claim under that W&I Policy.

12.3 The parties may disclose Confidential Information to an employee, consultant, adviser, agent or insurer to the extent necessary for the performance of this Agreement or in connection with the W&I Policy, provided that the disclosure is made subject to obligations equivalent to those set out in this Agreement. Each party shall use its reasonable endeavours to procure that any such employee, consultant, adviser or agent complies with all those obligations. Each party shall be responsible to the other party in respect of any disclosure or use of any of the other party's Confidential Information by a person to whom disclosure is made.

12.4 The obligations of confidentiality in this clause 12 do not extend to any Confidential Information which the party that wishes to disclose or use can show:

- (a) is in, or has become part of, the public domain other than as a result of a breach of the obligations of confidentiality under this Agreement;
- (b) was in that party's written records prior to the date of this Agreement and not subject to any obligations as to confidentiality;
- (c) was independently disclosed to that party by a third party entitled to disclose it; or
- (d) was reasonably disclosed to a Tax Authority in connection with the Tax affairs of the disclosing party or a connected person; or
- (e) is required or requested to be disclosed under any Official Requirement or by any Relevant Authority; or
- (f) is reasonably required to be publicly disclosed in connection with the Equity Financing or Debt Financing.

12.5 In this clause 12, disclosure includes disclosure in writing or by any other means.

13 PRESERVATION OF RIGHTS

13.1 The rights and remedies of the Buyer in respect of this Agreement or any other Agreed Document shall not be diminished, waived or extinguished by the granting of any indulgence, forbearance or extension of time by the Buyer to any other party nor by any failure to ascertain or exercise, or any delay in ascertaining or exercising, any such rights or remedies.

13.2 Any waiver of any right, obligation or remedy under, or compliance with or breach of any provision of, this Agreement must be expressly stated in writing to be such a waiver, must specify the right, remedy, obligation, provision or breach to which it applies and must be signed by (or by an authorised signatory on behalf of) the party providing the waiver.

13.3 If the Buyer waives any right, obligation or remedy under, or compliance with or breach of any provision of this Agreement, that waiver shall not be deemed to be a waiver of any subsequent breach of that or any other provision or of any other right, obligation or remedy.

- 13.4 The discontinuance, abandonment or adverse determination of any proceedings taken by the Buyer to enforce any right or any provision of this Agreement shall not operate as a waiver of, or preclude any exercise or enforcement or (as the case may be) further or other exercise or enforcement by the Buyer of, that or any other right or provision.
- 13.5 All references in clauses 13.2 to 13.4 to:
- (a) any right or remedy shall include any power, right or remedy conferred by this Agreement on, or provided by law or otherwise available to, the Buyer; and
 - (b) any right not being exercised shall include any partial exercise of that right and any circumstances in which the Buyer does not insist on the strict performance of any provision of this Agreement.
- 13.6 The giving by the Buyer of any consent to any act which by the terms of this Agreement requires that consent shall not prejudice the right of the Buyer to withhold or give consent to any similar act.
- 13.7 Clauses 13.1 to 13.6 inclusive shall apply (with the appropriate changes) to any rights under this Agreement enforceable under the Contracts Act by any person who is not party to it.
- 13.8 All of the provisions of this Agreement shall, so far as they are capable of being performed or observed, continue in full force and effect notwithstanding Completion except in respect of those matters then already performed and Completion shall not constitute a waiver of any of the Buyer's rights in relation to this Agreement.

14 NOTICES

- 14.1 Except as otherwise provided in this Agreement, every notice under this Agreement must be in writing and shall be deemed to be duly given if it (or the envelope containing it) identifies the intended recipient as the addressee and:
- (a) it is delivered by being handed personally to the addressee (or, where the addressee is a corporation, any one of its directors or its secretary);
 - (b) the envelope containing the notice is properly addressed to the addressee at the addressee's authorised address and duly delivered using an internationally recognised courier service; or
 - (c) the notice is duly transmitted to the addressee's email address,
- and, in proving the service of any such notice, it shall be conclusive evidence to prove that the notice was duly given within the meaning of this clause 14.1.
- 14.2 A notice sent by courier service shall not be deemed to be duly delivered for the purposes of clause 14.1(b) unless it is sent with all delivery or other charges in respect of it otherwise prepaid.
- 14.3 For the purposes of this clause 14 the authorised address and e-mail address of:
- (a) the Seller shall be the Seller's address as set out in this Agreement and for the purposes of any notices being transmitted by e-mail:

[Redacted – Personal Information]

with a copy to [Redacted – Personal Information] (which shall not constitute notice)

- (b) the Buyer shall be the address of its registered office for the time being, and for the purposes of any notices being transmitted by e-mail:

[Redacted – Personal Information]

with a copy to [Redacted – Personal Information] (which shall not constitute notice),

or in each case to such other address or e-mail address as the relevant party shall notify to the other parties for this purpose, provided that any such notice of new address or e-mail address shall take effect no sooner than two Business Days after it has been given and received in accordance with this Agreement.

- 14.4 Any notice duly given within the meaning of clause 14.1 shall be deemed to have been both given and received:

- (a) if it is delivered in accordance with clause 14.1(a), on that delivery; and
- (b) if it is duly posted or transmitted in accordance with clause 14.1(b) or clause 14.1(c) by any of the methods specified in any such clause, on the second (or, when sent by airmail, fifth) Business Day after the day of posting or (in the case of a notice transmitted by e-mail) at the time of sending or (if that transmission is not made during normal working hours on a Business Day, being between 9.00am to 5.30pm local time) at 9.00 a.m. local time on the next Business Day.

- 14.5 For the purposes of this clause 14 “**notice**” shall include any request, demand, instruction, communication or other document.

- 14.6 Each notice to be given under or in connection with this Agreement shall be in English and if that notice is translated into any other language, the English language text shall prevail.

15 ENTIRE AGREEMENT

- 15.1 The Agreed Documents constitute the entire agreement between the parties in relation to the sale and purchase of the Sale Shares and other matters covered by them and supersede any previous agreement, arrangement or understanding between the parties, whether written or oral, in relation to those matters, which shall cease to have any further effect.

- 15.2 The parties acknowledge that the Agreed Documents have not been entered into wholly or partly in reliance on, nor has either party been given, any warranty, statement, promise or representation by the other or on its behalf other than as expressly set out in the Agreed Documents.

- 15.3 Each party agrees that the only rights and remedies available to it arising out of or in connection with any warranties, statements, promises or representations will be for breach of contract and irrevocably and unconditionally waives any right it may have to any claims, rights or remedies including any right to rescind this Agreement which it might otherwise have had in relation to them.

- 15.4 All warranties, conditions, statements, terms and representations not set out in the Agreed Documents whether implied by statute or otherwise are excluded to the extent permitted by law.

- 15.5 Nothing in this Agreement excludes any remedy or liability for fraud or fraudulent misrepresentation.

16 ALTERATIONS

No purported alteration or variation of this Agreement shall be effective unless it is in writing, refers specifically to this Agreement and is duly executed by the Buyer, the Seller and any other party whose rights or obligations under this Agreement are affected by the alteration.

17 SEVERABILITY

17.1 Each provision of this Agreement is severable and distinct from the others. The parties intend that each of those provisions shall be and remain valid and enforceable to the fullest extent permitted by law. If any such provision is held to be or at any time becomes to any extent invalid, illegal or unenforceable for any reason under any Enactment or rule of law, it shall to that extent be deemed not to form part of this Agreement but (except to that extent in the case of that provision) it and all other provisions of this Agreement shall continue to be effective and their validity, legality and enforceability shall not be affected as a result, subject to the operation of this clause not negating the commercial intent and purpose of the parties under this Agreement. The proviso to clause 1.2(i) shall be read subject to this clause 17.1.

17.2 If any provision of this Agreement is illegal or unenforceable because any period or area specified in it exceeds that permitted by a Relevant Authority, that provision shall take effect with the minimum modification necessary to make it valid, effective and acceptable to that Relevant Authority subject to that modification not negating the commercial intent of the parties under this Agreement.

18 COUNTERPARTS

18.1 This Agreement may be executed in any number of counterparts, each of which when executed shall constitute an original of this Agreement, but all the counterparts together constitute the same Agreement. No counterpart shall be effective until each party has duly executed at least one counterpart.

18.2 This Agreement shall be valid, binding and enforceable against a party only when (subject to clause 21) executed by an authorised individual on behalf of the party by means of:

- (a) a DocuSign® or other electronic signature;
- (b) an original, manual signature; or
- (c) scanned or photocopied manual signature, and

each DocuSign® or other electronic, scanned or photocopied manual signature shall for all purposes have the same validity, legal effect and admissibility in evidence as an original manual signature and the parties hereby waive any objection to the contrary.

19 PAYMENT OF COSTS

19.1 Other than in respect of the W&I Policy Contribution, each party shall be responsible for that party's own legal and other costs incurred in relation to the negotiation, preparation and completion of each of the Agreed Documents and all other relevant documents.

19.2 No Group Company shall directly or indirectly pay or reimburse any costs or expenses in connection with any investigation relating to the Group Company or with the negotiation, completion or implementation of the Agreed Documents, other than the Transaction Expenses.

19.3 The Buyer shall pay all stamp duties or similar transfer duties which arise in consequence of the transfer of Sale Shares pursuant to this Agreement or the execution and entry into this Agreement.

20 SUCCESSORS, ASSIGNS AND THIRD PARTY RIGHTS

20.1 This Agreement shall be binding on and shall enure for the benefit of the successors in title of each party.

20.2 Except as provided in clause 20.3, no party (nor any other person entitled to enforce rights under this Agreement) may assign the benefit of any rights under this Agreement.

20.3 The Buyer may (i) assign; and (ii) in the case of clause 20.3(b) only, charge or otherwise grant security over all or any of its rights under this Agreement (including in respect of the Warranties) to and/or in favour of:

- (a) any other member of the Buyer's Group; and/or
- (b) any lender by way of security for any borrowings or other indebtedness of the Buyer's Group from time to time,

without the consent of any other party to this Agreement, provided that:

- (c) if any assignee pursuant to clause 20.3(a) at any time ceases to be a member of the Buyer's Group, any rights under this Agreement which have been assigned to it shall be assigned to the Buyer or another member of the Buyer's Group; and
- (d) in the event that any assignment, charging and/or grant of security occurs, the liability of the Seller under this Agreement shall be no greater than it would have been had such assignment, charging and/or grant of security not occurred.

Following any assignment permitted by this clause 20.3, all references in this Agreement to the Buyer shall be deemed to include the Buyer's assigns.

20.4 The Seller may assign all or any of its rights under this Agreement to and/or in favour of:

- (a) any one or more of the Beneficial Owners; and/or
- (b) any entity Controlled by any one or more of the Beneficial Owners,

without the consent of any other party to this Agreement, and following any assignment permitted by this clause 20.4, all references in this Agreement to the Seller shall be deemed to include the Seller's assigns.

20.5 Any party assigning rights under this Agreement pursuant to clause 20.3 or 20.4 (as applicable) shall notify the other parties in writing of such assignment no later than 5 Business Days following such assignment.

20.6 Each Group Company shall be entitled under the Contracts Act to enforce any term of this Agreement which expressly or by implication confers any benefit on it and each of the persons described in clause 9.12(b) shall have the benefit of clause 9.12 under the Contracts Act.

20.7 Except as provided in clauses 20.3 and 20.4:

- (a) the Contracts Act shall not apply to this Agreement; and
- (b) no person (including any employee, officer, agent, representative or sub-contractor of a party) other than a party to this Agreement has the right (whether under the Contracts Act or otherwise) to enforce any term of this Agreement which expressly or by implication confers a benefit on that person without the express prior agreement in writing of the parties, which agreement must refer to this clause 20.7.

20.8 No consent is required from any person having rights under this Agreement by virtue only of the Contracts Act to any amendment, variation, waiver or settlement of this Agreement or any right or claim arising from or under it which (in each case) has been agreed by any party to it.

21 APPLICABLE LAW AND SUBMISSION TO JURISDICTION

21.1 This Agreement and any claims, disputes or proceedings arising out of or threatened in connection with it (whether contractual or non-contractual in nature, including claims in tort or for breach of any Official Requirement) shall be governed by and construed in accordance with English law.

21.2 All disputes or claims arising out of or relating to this Agreement shall be subject to the exclusive jurisdiction of the English Courts, to which the parties irrevocably submit.

22 DELIVERY OF AGREEMENT

The parties do not intend this Agreement to be delivered by, or to become legally binding on, any of them until the date of this Agreement is written at its head, notwithstanding that one or more of them may have executed this Agreement prior to that date being inserted.

IN WITNESS of the above the parties have executed this Agreement as a deed on the date set out at the head of this Agreement.

SCHEDULE 1
THE BENEFICIAL OWNERS

[Redacted – Confidential Information]

SCHEDULE 2

THE GROUP

Part 1

THE COMPANY

Company name	Covelya Group Limited
Registered number	12493148
Date of incorporation	2 March 2020
Place of incorporation	England & Wales
Address of registered office	Ocean House Blackbushe Business Park, Saxony Way, Yateley, Hampshire, United Kingdom, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£28,000,001 divided into 28,000,001 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	[Redacted – Personal Information]
Accounting reference date	31 December

Part 2

THE SUBSIDIARIES

Company name	Sonardyne International Limited
Registered number	01299452
Date of incorporation	21 February 1977
Place of incorporation	England & Wales
Address of registered office	Ocean House Blackbushe Business Park, Saxony Way, Yateley, Hampshire, United Kingdom, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£12,286,362 divided into 12,286,362 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Sonardyne Overseas Holdings Limited
Registered number	03766163
Date of incorporation	7 May 1999
Place of incorporation	England & Wales
Address of registered office	Ocean House Sonardyne International Limited, Saxony Way, Yateley, Hampshire, United Kingdom, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£5,311,834 divided into 5,311,834 ordinary shares of £1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Sonardyne International Limited

Company name	Sonardyne Brazil Limited
Registered number	03765696
Date of incorporation	6 May 1999
Place of incorporation	England & Wales
Address of registered office	Ocean House Sonardyne International Limited, Saxony Way, Yateley, Hampshire, United Kingdom, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£2 divided into 2 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Sonardyne Overseas Holdings Limited

Company name	Sonardyne Brazil Limitada
Registered number	03.296.642/0001-78
Date of incorporation	13 July 1999
Place of incorporation	Brazil
Address of registered office	Avenida ZEN S/N, lotes 06 e 06, Quadra D, na Cidade de Rio das Ostras, State of Rio de Janeiro, 28.890-002
Registered email address	-
Issued share capital	R\$39,407,214 dividend into 39,407,214 ordinary shares of R\$1.00 each
Charges	None
Legal Representatives	[Redacted – Personal Information]
Legal Representatives for the shareholders	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Sonardyne Overseas Holdings Limited

Company name	Sonardyne Inc.
Registered number	109071300
Date of incorporation	30 September 1988
Place of incorporation	Texas, US
Address of registered office	712 Main Street, Suite 1100, Houston, Texas 77002
Registered email address	-
Issued share capital	US\$10,000 divided into 10,000 ordinary shares of US\$1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Sonardyne International Limited

Company name	Sonardyne Asia PTE Ltd
Registered number	199307994W
Date of incorporation	3 December 1993
Place of incorporation	Singapore
Address of registered office	23F Loyang Crescent, Singapore 509022
Registered email address	-
Issued share capital	SGD 50,000 divided into 50,000 ordinary shares of SGD 1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	[Redacted – Personal Information]
Accounting reference date	31 December
Shareholder	Sonardyne International Limited

Company name	Sonardyne GmbH
Registered number	HRB 191094
Date of incorporation	28 February 2025
Place of incorporation	Germany
Address of registered office	Colonnaden 104, 20354 Hamburg
Registered email address	-
Issued share capital	EUR 25,000 divided into 25,000 shares of EUR 1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Sonardyne International Limited

Company name	Sonardyne Group Limited
Registered number	13511831
Date of incorporation	15 July 2021
Place of incorporation	England & Wales
Address of registered office	Ocean House, Blackbushe Business Park, Yateley, England, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£1 divided into 1 ordinary share of £1.00
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Covelya Limited
Registered number	13506469
Date of incorporation	12 July 2021
Place of incorporation	England & Wales
Address of registered office	Ocean House, Blackbushe Business Park, Yateley, England, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£1 divided into 1 ordinary share of £1.00
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Ltd

Company name	PropCov Limited
Registered number	11713462
Date of incorporation	5 December 2018
Place of incorporation	England & Wales
Address of registered office	Ocean House, Blackbushe Business Park, Yateley, England, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£9,000,001 divided into 9,000,001 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Chelsea Technologies Ltd
Registered number	00832429
Date of incorporation	24 December 1964
Place of incorporation	England & Wales
Address of registered office	Ocean House, Blackbushe Business Park, Yateley, England, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£50,000 divided into 50,000 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Wavefront Systems Limited
Registered number	05032241
Date of incorporation	2 February 2004
Place of incorporation	England & Wales
Address of registered office	Ocean House, Blackbushe Business Park, Yateley, England, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£60,000 divided into 60,000 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Forcys Limited
Registered number	13988990
Date of incorporation	19 March 2022
Place of incorporation	England & Wales
Address of registered office	Ocean House, Blackbushe Business Park, Yateley, England, GU46 6GD
Registered email address	[Redacted – Personal Information]
Issued share capital	£1 divided into 1 ordinary share of £1.00
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Forcys Inc.
Registered number	11596997
Date of incorporation	18 September 2023
Place of incorporation	Delaware, US
Address of registered office	20130 Lakeview Center Plaza, Suite 400, Ashburn, VA 20147-5905
Registered email address	-
Issued share capital	USD 1,000 divided into 1,000 ordinary stock of USD 1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Forcys Limited

Company name	Forcys Australia Pty Ltd
Registered number	664 235 590
Date of incorporation	2 December 2022
Place of incorporation	New South Wales, Australia
Address of registered office	c/o Sheltons Accountants, International Tower Three, Level 24, 300 Barangaroo, Sydney, NSW 2000
Registered email address	-
Issued share capital	AUD 100 divided into 100 ordinary shares of AUD 1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Forcys Limited

Company name	Voyis Imaging Inc.
Registered number	BC1237630
Date of incorporation	17 January 2020
Place of incorporation	British Columbia, Canada
Address of registered office	666 Burrard Street, 1700 Park Place, Vancouver, British Columbia, Canada, V6C 2X8
Registered email address	-
Issued share capital	CAD 6,000,100 divided into 6,000,100 common stock of CAD 1 each
Charges	Cash collateral agreement in favour of the Royal Bank of Canada
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	EIVA A/S
Registered number	84315818
Date of incorporation	1 May 1978
Place of incorporation	Denmark
Address of registered office	Niels Bohrs Vej 17 Stilling, 8660 Skanderborg
Registered email address	-
Issued share capital	DKK 800,000 divided into 800,000 shares of DKK 1 each
Charges	Floating charge in favour of Nordea Danmark
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	Covelya Group Limited

Company name	Sensorsurvey A/S
Registered number	38758764
Date of incorporation	30 June 2017
Place of incorporation	Denmark
Address of registered office	Bülowsvej 18, 5230 Odense M
Registered email address	-
Issued share capital	DKK 500,000 divided into 500,000 shares of DKK 1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 December
Shareholder	EIVA A/S

Company name	EIVA SGP Pte Ltd
Registered number	202346322C
Date of incorporation	23 November 2023
Place of incorporation	Singapore
Address of registered office	14 Robinson Road, #08-01A, Far East Finance Building, Singapore 048545
Registered email address	-
Issued share capital	SGD 1,000 divided into 1,000 ordinary shares of SGD 1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	[Redacted – Personal Information]
Accounting reference date	31 December
Shareholder	EIVA A/S

Company name	Brightline Diagnostics Limited
Registered number	12928713
Date of incorporation	5 October 2020
Place of incorporation	England and Wales
Address of registered office	Alderley Park, Alderley Park, Nether Alderley, Cheshire, United Kingdom, SK10 4TG
Registered email address	secretariat@covelya.com
Issued share capital	£100 divided into 100 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	None
Accounting reference date	31 October
Shareholders	Chelsea Technologies Limited (50%) Stream Bio Limited (50%)

Company name	Lumasys Inc.
Registered number	001070995
Date of incorporation	February 29, 2012
Place of incorporation	Massachusetts, US
Address of registered office	82 TECHNOLOGY PARK DR, EAST FALMOUTH, MA UNITED STATES, 02536-4441
Registered email address	-
Issued share capital	USD 88,000 divided into 88,000 ordinary stock of USD 1 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	[Redacted – Personal Information]
Accounting reference date	-
Shareholders	Sonardyne International Limited (34%) [Redacted – Personal Information]

Company name	Dynautics Ltd
Registered number	03326051
Date of incorporation	28 February 1997
Place of incorporation	England & Wales
Address of registered office	28 Landport Terrace, Portsmouth, PO1 2RG
Issued share capital	£12,375 divided into 12,375 ordinary shares of £1.00 each
Charges	None
Directors	[Redacted – Personal Information]
Secretary	[Redacted – Personal Information]
Accounting reference date	30 June
Shareholders	Covelya Group Limited (2,475 ordinary shares) [Redacted – Personal Information]

SCHEDULE 3

WARRANTIES

1 INFORMATION

- 1.1 The information in Schedule 2 is complete and accurate.
- 1.2 All information contained in the replies to written enquiries raised by the Buyer or its professional advisers with the Seller or the Seller's professional advisers in relation to any Group Company or its affairs, assets or liabilities are true and accurate in all material respects as at the date given.

2 THE SALE SHARES, THE GROUP AND THE SELLER

- 2.1 The Seller is a private limited liability company duly incorporated and validly existing under the laws of England & Wales. Each Group Company has been duly incorporated and organized and is validly existing and in good standing under the applicable laws conferring corporate existence on each of them. No Group Company has taken or authorised any proceedings in respect of the bankruptcy, insolvency, liquidation, dissolution, discontinuance, winding up, amalgamation, merger, consolidation, or reorganization of, or relating to, such Group Company, and as far as the Seller is aware, no such proceedings are pending.
- 2.2 The Seller has full power to enter into, deliver, and perform this Agreement and all transactions contemplated by this Agreement. This Agreement constitutes a valid and binding obligation on the Seller and is enforceable against the Seller in accordance with its terms. The Seller has taken, or will have taken prior to the Completion Date, all necessary corporate action to authorize the execution, delivery and performance of this Agreement and to sell the Sale Shares to the Buyer.
- 2.3 All the Sale Shares (which together represent the whole of the issued share capital of the Company) have been duly authorized and validly issued and are fully paid or are properly credited as fully paid. All of the issued and outstanding shares in the capital of each other Group Company have been duly authorized and validly issued and are fully paid or are properly credited as fully paid, and are directly or indirectly beneficially owned by the Company.
- 2.4 The Seller is the sole legal and beneficial owner of all the Sale Shares and has good title to them, free from Encumbrances. The Seller has the absolute and exclusive right to sell those Sale Shares to the Buyer as contemplated by this Agreement. None of the outstanding shares of a Group Company were issued in violation of the pre-emptive or similar rights of any shareholder of such Group Company.
- 2.5 No restrictions notice (as defined in paragraph 1(2) of schedule 1B CA 2006) has been issued and remains in force in relation to:
- (a) any of the Sale Shares; or
 - (b) any share in the capital of any other Group Company.
- 2.6 The transfer to the Buyer of unrestricted legal title to the Sale Shares is not prevented or invalidated by and will not be in breach of:
- (a) any Enactment (or any action taken by any person in accordance with any Enactment); or
 - (b) any provision of the Company's constitution.

- 2.7 Except as specifically disclosed in the Disclosure Letter, no authorization, approval, order or consent of, or filing with, any Relevant Authority is required on the part of the Seller or on the part of any Group Company in connection with the execution, delivery and performance of this Agreement or any other Agreed Documents to be delivered under this Agreement.
- 2.8 Except as specifically disclosed in the Disclosure Letter, there is no requirement to obtain any consent, approval, or waiver of a party under any Material Contract (as such term is defined in paragraph 16.1) in order to complete the transactions contemplated by this Agreement, and the execution and delivery of this Agreement or the completion of the transactions contemplated by this Agreement will not constitute a default under any Material Contract and will not afford any party to any Material Contract the right to, or result in the acceleration of the right to terminate any Material Contract.
- 2.9 The Seller does not possess, directly or indirectly, any financial interest in a competitor, supplier, dealer, lessor or lessee of any Group Company, and has no interest in any assets used or held for use by any Group Company.
- 2.10 Each Group Company has all necessary corporate power, authority and capacity to own, lease, and operate its properties and assets and to carry on its business as currently being conducted or proposed to be conducted. Each Group Company has good, valid, and marketable title to, and has all necessary rights in respect of, all assets owned or used in connection with the business of each Group Company.
- 2.11 The Disclosure Letter lists every jurisdiction in which each Group Company is registered, licenced, or otherwise qualified to do business and each Group Company is in good standing in every such jurisdiction. Neither the character nor location of the Properties, nor the nature of the business, requires registration, licencing, or other qualification to do business in any other jurisdiction. Each Group Company is current and up-to-date with all material filings required to be made by such Group Company.

3 MINORITY INTERESTS

- 3.1 The issued and outstanding shares in the capital of the Minority Interests, to the extent held by a Group Company (as set out in Schedule 2), have been duly authorised and validly issued and are fully paid or are properly credited as fully paid and are directly owned by a Group Company free from any Encumbrances.
- 3.2 Each Minority Interest has been duly incorporated and organized and is validly existing and in good standing under the applicable laws conferring corporate existence on each of them.
- 3.3 No Minority Interest has taken or authorised any proceedings in respect of the bankruptcy, insolvency, liquidation, dissolution, discontinuance, winding up, amalgamation, merger, consolidation, or reorganization of, or relating to, such Minority Interest, and as far as the Seller is aware, no such proceedings are pending.
- 3.4 Brightline Diagnostics Ltd:
- (a) has never traded, carried on business or been engaged in any commercial activity since its incorporation;
 - (b) has no outstanding financial liabilities, obligations or commitments of any nature (whether actual or contingent or prospective), including but not limited to debts, guarantees, indemnities or contractual obligations;
 - (c) has never employed any person and has no outstanding employment-related liabilities, obligations or claims (including pensions, benefits or accrued entitlements); and

- (d) has no outstanding tax liabilities, obligations or filings other than those required for its incorporation and maintenance as a dormant entity.
- 3.5 No Group Company has any financial, contractual or other obligations or liabilities of any nature (whether actual, contingent or prospective) arising from, or in connection with, any Minority Interest including but not limited to guarantees, indemnities, loans, commitments or any other form of support arrangement.
- 3.6 No Minority Interest is involved in any litigation, arbitration or administrative proceedings and, so far as the Seller is aware, no such proceedings have been threatened or are pending.
- 3.7 There are no disputes, claims or proceedings (whether actual, pending or threatened) between any of the shareholders of any of the Minority Interests relating to their shareholding, rights, obligations or any other aspect of the shareholding arrangements in respect of such Minority Interests and, so far as the Seller is aware, there are no circumstances which are reasonably likely to give rise to any such dispute, claim or proceeding.
- 3.8 The Disclosure Letter contains full and accurate copies of any shareholders' agreements, investment agreements, articles of association and any other document governing the relationship between the shareholders in connection with each Minority Interest and the execution and delivery of this Agreement or the completion of the transactions contemplated by this Agreement will not constitute a default under any such agreement and will not afford any party to issue a transfer notice in respect of the shares held by the Group Company in any Minority Interest nor give any party the right to terminate any such agreement.

4 ACCOUNTS AND IFRS ACCOUNTS

- 4.1 The Accounts were properly prepared in accordance with CA 2006 and all other applicable Official Requirements and have been prepared in accordance with generally accepted accounting conventions, policies, principles and practices (including Accounting Standards) consistently applied and the accounting conventions, policies, principles and practices (including methods of valuation) adopted for the Accounts and all items included in them are the same as those adopted in preparing the audited accounts of each Group Company for its three preceding accounting reference periods.
- 4.2 The IFRS Accounts were properly prepared in accordance with CA 2006 and all other applicable Official Requirements and have been prepared in accordance with IFRS and audited in accordance with IAS.
- 4.3 Each of the Accounts, the IFRS Accounts and the IFRS Management Accounts show a true and fair view of the assets, liabilities (including contingent unquantified and disputed liabilities whether for Tax or otherwise), capital commitments and state of affairs of each Group Company as at the Accounts Date and of the profits and losses of each Group Company for the financial period to which the Accounts relate and in particular:
 - (a) do not overstate the value of any asset of each Group Company as at the Accounts Date;
 - (b) include full provision for all actual liabilities and bad debts;
 - (c) include proper provision (or full disclosure) in accordance with the Accounting Standards or IFRS (as applicable) for all contingent liabilities; and
 - (d) include provision on the basis Fairly Disclosed in the Disclosure Letter for all bad debts and so far as the Seller is aware that provision will be adequate.
- 4.4 The Accounts, the IFRS Accounts, the IFRS Management Accounts and the audited accounts of each Group Company for the three preceding financial years include full provision for the

depreciation of fixed and tangible assets and for the amortisation of intangible assets in accordance with the policies stated in them.

- 4.5 Any slow moving stock included in the Accounts, the IFRS Accounts and/or the IFRS Management Accounts has been written down appropriately, all damaged, redundant, obsolete or unsaleable stock has been wholly written off and the value attributed to the remaining stock does not exceed the lower of its cost or net realisable value at the Accounts Date.
- 4.6 There is not included in the Accounts, the IFRS Accounts nor the IFRS Management Accounts:
- (a) any income recognised prior to the performance of the work to which it relates; or
 - (b) any income the right to receive which was conditional on the occurrence of an event which had not occurred at the Accounts Date.
- 4.7 In relation to the supply or provision of services by any Group Company which were not fully performed at the Accounts Date, the income included or recognised in the Accounts, the IFRS Accounts and/or the IFRS Management Accounts is an appropriate proportion, in accordance with Accounting Standards or IFRS (as applicable), of the total selling value of the relevant services based on the proportion of each contract completed as at the Accounts Date.
- 4.8 The profits (or losses) of each Group Company for its three accounting reference periods up to the Accounts Date as shown by the audited accounts relating to those periods have not been affected by any unusual or non-recurring income, expenditure or other factor.
- 4.9 The accounting reference date of each Group Company is and has at all times during the period of five years ended on the Completion Date or (if shorter) since its incorporation been 31 December. There has been no change in accounting policies or practices of a Group Company since December 31, 2024.
- 4.10 There are no material off-balance sheet transactions, arrangements, obligations or liabilities of a Group Company whether direct, indirect, absolute, contingent or otherwise which are required to be disclosed and are not disclosed or reflected in each of the Accounts, the IFRS Accounts and the IFRS Management Accounts.
- 4.11 The Management Accounts:
- (a) were prepared with due care and in accordance with the relevant Group Company's Accounting Standards;
 - (b) have been prepared using the accounting policies and practices and the assumptions and estimation techniques adopted and applied in preparing the Accounts;
 - (c) are not misleading in any respect and properly state the financial position of each Group Company as at their respective dates;
 - (d) show an accurate view (on an unaudited basis) of the profits, losses, revenues, costs, assets and liabilities of each Group Company for the period to which they relate; and
 - (e) do not include (and the profits of the Group for that period have not been affected to a material extent by) any extraordinary, exceptional, unusual or non-recurring items.
- 4.12 The IFRS Management Accounts:
- (a) were properly prepared in accordance with CA 2006 and all other applicable Official Requirements, have been prepared in accordance with IFRS, except that the IFRS Management Accounts include the 12-months ended December 31, 2024 as prior

period comparative financial information, and have been reviewed in accordance with ISRE;

- (b) have been prepared using the accounting policies and practices and the assumptions and estimation techniques adopted and applied in preparing the IFRS Accounts;
- (c) are not misleading in any respect and properly state the financial position of each Group Company as at their respective dates;
- (d) show an accurate view (on an unaudited basis) of the profits, losses, revenues, costs, assets and liabilities of each Group Company for the period to which they relate; and
- (e) do not include (and the profits of the Group for that period have not been affected to a material extent by) any extraordinary, exceptional, unusual or non-recurring items other than in respect of customer contracts executed in the ordinary course of the Group's on its standard terms and conditions.

4.13 Each Group Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorisations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorisation, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

5 POSITION SINCE THE ACCOUNTS DATE

5.1 Since the Accounts Date, each Group Company has carried on the business in the ordinary course, consistent with past practice, traded at a profit and there has been no:

- (a) change in the financial position, prospects, operations, results of operations, or business of any Group Company, including in its pattern and method of trading, assets or liabilities (actual or contingent), turnover or profitability, nor has there been any occurrence or circumstances which with the passage of time might reasonably be expected to have a Material Adverse Effect; or
- (b) any loss, labour trouble, or other event, development or condition of any character (whether or not covered by insurance) suffered by any Group Company which has had, or may reasonably be expected to have, a Material Adverse Effect.

5.2 The value of the net realisable assets of each Group Company at Completion valued on the same bases and in accordance with the same principles as those employed in producing the Accounts (but excluding any revaluations since the Accounts Date) will not be less than the value of those assets at the Accounts Date.

5.3 Except as specifically disclosed in the Disclosure Letter, since the Accounts Date, no Group Company has:

- (a) acquired or disposed of or agreed to acquire or dispose of any business or material asset or interest therein;
- (b) sold, leased, disposed of or transferred any of its assets or interest therein except in the ordinary and normal course of business at the full market values of the assets concerned;
- (c) incurred, or agreed to incur, any individual capital commitment in excess of £100,000;

- (d) made any change in excess of £30,000 in any compensation arrangement or agreement with any employee, director, Secretary, officer, member or shareholder;
- (e) made any offer, tender, quotation or similar intimation for the provision of goods or services to it with a value of £1,000,000 or more which is capable of being converted into an obligation of that Group Company by acceptance or other act of some other person;
- (f) agreed to purchase stocks or supplies in quantities or at prices materially greater than was its practice prior to the Accounts Date;
- (g) entered into any transaction or incurred any liabilities (actual or contingent) or made any payment not provided for in the Accounts except, in each case, in the ordinary course of trading;
- (h) entered into any agreement in respect of the change of control of a Group Company;
- (i) ceased to deal or reduced its trade with any customer or supplier which, in either of the two financial periods ending on the Accounts Date, accounted for more than five per cent of its sales to any one customer, or accounted for more than five per cent in value of purchases by it and no such customer or supplier has indicated to the Company or the Seller that there will be any such cessation or reduction which would result in them no longer accounting for five per cent in value of such sales or purchases (as applicable);
- (j) declared, made or paid any dividend or otherwise made any distribution or payment of any kind or nature, or taken any corporate proceedings for that purpose, except as provided in the Accounts;
- (k) allotted, issued, repaid, redeemed, or otherwise retired or reduced, or agreed to allot, issue, repay redeem, or otherwise retire or reduce any share or loan capital;
- (l) subjected, or permitted to be subjected, any of its assets to any Encumbrance;
- (m) waived or released any rights that it has or had, or any debts owed to it, resulting, collectively or individually, in a material and adverse effect on the business, condition (financial or otherwise), properties, assets (tangible or intangible), liabilities (contingent or otherwise), capitalization, operations, prospects or results of operations of the Group Companies, taken as a whole;
- (n) changed any method of accounting or auditing practice; or
- (o) made any loan which remains outstanding or has become due and payable in whole or in part to it.

6 DEBTORS AND CREDITORS

6.1 No Group Company has any outstanding indebtedness, liabilities or obligations (whether accrued, absolute, contingent or otherwise) except:

- (a) as specifically provided for in the Accounts or in the Management Accounts;
- (b) as Fairly Disclosed in the Disclosure Letter; or
- (c) amounts incurred in the ordinary course of business since the date of the Management Accounts.

- 6.2 The amounts for which the assets of each Group Company are security have not increased above the level shown in the Accounts or in the Management Accounts.
- 6.3 No Group Company is owed any monies other than in the ordinary course of business.
- 6.4 The book debts in excess of £100,000 shown in the Accounts have realised their full nominal amount less any reserve for bad or doubtful debts stated in the Accounts and no indication has been received by any Group Company or the Seller that any debt due to any Group Company in excess of £100,000 is bad or doubtful.
- 6.5 No book debt has been duplicated or otherwise incorrectly recorded in the Accounts or the Management Accounts.
- 6.6 No Group Company has factored or discounted any of its debts.
- 6.7 No Group Company has given any Guarantee or entered into any agreement for the postponement of debt (or regulating the priority of any security for debt) or for lien or set-off.
- 6.8 No Group Company is in default under the terms of any borrowing made by it and no circumstances have arisen which could entitle a lender of finance to any Group Company (other than on normal overdraft facility) to call in the whole or any part of the monies advanced or enforce any security.

7 SUBSIDIARIES

- 7.1 The Company:
- (a) has never had any subsidiary other than the Subsidiaries;
 - (b) directly or indirectly owns free from Encumbrances the whole of the issued share capital of the Subsidiaries except as expressly detailed in Part 2 of Schedule 2;
 - (c) has not since its incorporation been a subsidiary of any company other than the Seller; and
 - (d) holds no shares or membership interests in the capital of any other company other than the Subsidiaries.
- 7.2 None of the Subsidiaries:
- (a) has in the last 12 years had any subsidiary other than those Subsidiaries (if any) which are its subsidiaries as at the date of this Agreement as specified in Part 2 of Schedule 2;
 - (b) has since its incorporation been a subsidiary of any company other than the Company of which it is a subsidiary as at the date of this Agreement as specified in Part 2 of Schedule 2; or
 - (c) holds any shares in the capital of any company other than its subsidiaries as specified in Part 2 of Schedule 2.
- 7.3 The Company is the registered holder and beneficial owner free from Encumbrances of the whole of the issued share capital of those Subsidiaries of which Part 2 of Schedule 2 shows it to be the Holding Company, except as otherwise specified in Part 2 of Schedule 2.

8 PROPERTY

- 8.1 No Group Company uses or occupies or has any interest in any land and/or buildings for the purposes of its business other than the Properties. No Group Company has in the last 12 years

used, occupied, or had any interest in any land and/or buildings for the purposes of its business other than the Properties.

8.2 The description of the Properties and the particulars of the estate owner and present use contained in Schedule 6 are correct and there are specifically disclosed in the Disclosure Letter plans which accurately delineate the extent of the Properties.

8.3 A Group Company has:

- (a) good and marketable title to each of the Freehold Properties; and
- (b) legal and beneficial title to each of the Freehold Properties; and
- (c) leasehold title to each of the Leasehold Properties.

8.4 In respect of each of the Properties:

- (a) the Properties are not subject to (or to any agreement to create) any lease, tenancy, licence to occupy, mortgage or charge, option or right of pre-emption, covenant, condition, agreement, restriction, reservation or right adversely affecting the Properties or the value or the present use of the Properties;
- (b) no party claims the benefit of any right, easement, reservation or other privilege or Encumbrance in or over the Properties adverse to the title or interest of any Group Company or the present use;
- (c) there are appurtenant to each of the Properties all rights and easements necessary for their present use and enjoyment (without restriction as to time or otherwise);
- (d) the Properties and all buildings on and the present use of the Properties each comply with all Official Requirements relating to matters of town and country planning and no consent or approvals obtained under any of those Official Requirements are temporary or personal or subject to any conditions which have not been fully complied with;
- (e) the Properties each comply in all material respects with the Offices Shops and Railway Premises Act 1963, the Health and Safety at Work etc. Act 1974, the Regulatory Reform (Fire Safety) Order 2005 ("**Order**"), the Control of Asbestos Regulations 2012 ("**Regulations**") and all other relevant Official Requirements and all orders consents or permissions given under any of them;
- (f) there are no restrictive covenants, Official Requirements, or other applicable laws that in any way restrict or prohibit any part of the present use of the Properties;
- (g) there are no expropriation or similar proceedings, actual or threatened, of which any Group Company has received notice against any of the Properties;
- (h) the buildings and other structures located on the Properties, and their operation and maintenance, comply with all Official Requirements and applicable laws, and none of those buildings or structures encroach on any lands not owned or leased by a Group Company;
- (i) where required a fire risk assessment has been carried out in relation to each of the Properties in accordance with the Order and no work or other action required following any of the assessments remains outstanding; and
- (j) where required an asbestos assessment or survey or management plan has been carried out in relation to each of the Properties in accordance with the Regulations and

no work or other action required following any of the assessments or surveys or management plans remains outstanding.

And in this paragraph the expression the "present use" means in respect of each of the Properties the present use specified in Schedule 6.

- 8.5 All covenants, restrictions and stipulations which do affect the Properties (including covenants contained in any leases under which the Properties are held) have been fully complied with.
- 8.6 A Group Company is in exclusive and undisputed occupation of the whole of each of the Properties.
- 8.7 So far as the Seller is aware, there are no structural or material defects in the buildings or structures on the Properties and all such buildings and structures are in good and substantial repair and condition.
- 8.8 Neither any Group Company nor the Seller have received any adverse surveyors', engineers' or other professional report in respect of any of the Properties and so far as the Seller is aware no material, substance or method of construction not in accordance with present design standards and current accepted good building practice was used in the construction of any of the Properties.
- 8.9 Full provision has been made in the IFRS Accounts for, or in respect of, any dilapidations or other like claims which have arisen or have been made or which may arise or be made any time after the date of this Agreement.
- 8.10 There is not outstanding any monetary claim or liability affecting any of the Properties nor is there any material expense likely in respect of the repair of any of the Properties in the next five years.
- 8.11 No Group Company has at any time assigned or otherwise disposed of any freehold or leasehold property in respect of which any Group Company has any continuing liability (including an Environmental Liability) either as original contracting party or by virtue of any direct covenant or under an authorised guarantee agreement given on a sale or assignment to or from any Group Company or as a surety for the obligations or any other person in relation to such property and no claim (including any Environmental Claim) has been made against any Group Company in respect of any leasehold property formerly held by it or in respect of which it acted as a guarantor nor is any such claim anticipated.
- 8.12 All replies to enquiries given by each Group Company or by the Seller or the Seller's Solicitors to enquiries raised by the Buyer or the Buyer's Solicitors in respect of the Properties are true and accurate in all material respects.
- 8.13 No notices under the Landlord and Tenant Act 1954 or the Landlord and Tenant (Covenants) Act 1995 have been served on any Group Company. Any leases under which the Properties are held are in full force and effect, unamended, and none of them are, as far as the Seller is aware, under any threat of termination. The performance of obligations pursuant to and in compliance with the terms of this Agreement, and the Completion, will not afford any of the parties to such leases or any other person the right to terminate any such lease or result in any additional or more onerous obligations under such leases.
- 8.14 All title deeds and documents required to prove the title of each Group Company to the relevant Properties are in the possession of or under the control of that Group Company.

9 ENVIRONMENTAL MATTERS

- 9.1 Except as specifically disclosed in the Disclosure Letter, each Group Company (including its directors, and officers):
- (a) complies and has at all times complied with all Environmental Laws (including any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment relating to the Environment or Environmental Matters) and Environmental Licences, and there are no conditions, facts or circumstances that would give rise to non-compliance either in the conduct by each of them of the business or in the current use and condition of any of property owned, leased, occupied or controlled by any Group Company and as far as the Seller is aware, there are no threatened administrative, regulatory or judicial actions, suits, demands, claims, Encumbrances, notices of non-compliance or violation, investigation or proceedings relating to Environmental Laws;
 - (b) has obtained and maintained in full force and effect all Environmental Licences necessary to operate its business as undertaken at the date of this Agreement, and there are no conditions, facts or circumstances (including the signing of this Agreement or Completion) which could lead any Environmental Licence to be revoked, suspended, amended, varied, withdrawn or not renewed or which would prevent compliance with any Environmental Licence; and
 - (c) is not and is not likely to be required by any Environmental Licence or any Environmental Law or as the result of any Environmental Claim to incur any expenditure which is material in the context of the business of that Group Company or to desist from taking any action which might have a Material Adverse Effect on that Group Company's financial condition.
- 9.2 All Environmental Licences necessary to operate the business of the Company and any Group Company are in the name of the appropriate Group Company and are not subject to review within the period of 12 months of the date of this Agreement.
- 9.3 The Disclosure Letter specifically discloses all Environmental Licences and all orders, notices, directions, applications, appeals, amendments and reports and any other communications relating to or in connection with any Environmental Licence, complete copies of which have been provided to the Buyer.
- 9.4 So far as the Seller is aware, there are no facts or circumstances which may give rise to any Environmental Liabilities.
- 9.5 No Environmental Claim is pending or has been made or threatened against any Group Company or any of its past or present directors, secretary, officers, or senior employees in their capacity as such or any occupier of any property at any time owned or leased by any Group Company and the Seller does not have any reason to believe that any Group Company or any of its officers has or is likely to have any liability in relation to Environmental Matters.
- 9.6 No Relevant Substance has been deposited, disposed of, kept, treated, handled, imported, exported, transported, processed, distributed, manufactured, used, collected, sorted or produced at any time, or is present in the Environment (whether or not on property owned, leased, occupied or controlled by any Group Company):
- (a) in circumstances which could result in an Environmental Claim against any Group Company;
 - (b) in circumstances which would entitle any Relevant Authority to bring an Environmental Claim against any Group Company;

- (c) in circumstances which would have a Material Adverse Effect on the use or value of any property owned, leased, occupied or controlled by any Group Company; or
 - (d) which exceeds an applicable soil, groundwater, or other Environmental, health or safety criterion or standard published or enacted by a Relevant Authority having jurisdiction over the Properties or other assets of a Group Company.
- 9.7 As far as the Seller is aware, no Relevant Substances are on any neighbouring or adjoining properties to any property owned, leased, occupied or controlled by any Group Company that may have a Material Adverse Effect on the business or any such property.
- 9.8 The Properties have not been used as a landfill or waste disposal site, and as far as the Seller is aware, there are no above ground or underground storage systems, active or abandoned, underground piping, lagoons, waste disposal sites, or materials or other assets containing asbestos, asbestos-containing materials, polychlorinated biphenyls (PCBs), per- or polyfluoroalkyl substances (PFAS), radioactive substances, urea formaldehyde foam insulation or other Relevant Substances located on the Properties.
- 9.9 The Disclosure Letter specifically discloses all reports, inspections, investigations, studies, audits, tests, reviews or other analyses in relation to Environmental Matters relating to each Group Company or any property now or previously owned, leased or occupied by any Group Company and which are in the control or ownership of the Group, complete copies of which have been provided to the Buyer.
- 9.10 Each Group Company complies with all Environmental Reporting Requirements that are required of it, and the Disclosure Letter specifically discloses all reports or disclosures required to be made pursuant to the Environmental Reporting Requirements, complete copies of which have been provided to the Buyer.
- 9.11 No Group Company has given or received any warranties or indemnities or other agreement in respect of any Environmental Laws or Environmental Licences.
- 9.12 The Disclosure Letter specifically discloses a complete copy of any material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution or emissions, manage waste or otherwise ensure compliance with current or future Environmental Laws, in each case which are within the possession or control of the Seller.

10 ASSETS

- 10.1 A complete and accurate list of all tangible property owned by, or used in connection with the business of, any Group Company (excluding the Properties and the Intellectual Property) including, without limitation, marine vessels, machinery, equipment, parts and any other fixtures and/or appurtenances (the "**Assets**") are contained in the Disclosure Letter.
- 10.2 All Assets are properly registered in the name of a Group Company at the relevant registries (if any) in accordance with Official Requirements.
- 10.3 All Assets belong to a Group Company free from any lease, rental, charter, hire or hire purchase agreement, agreement for payment on deferred terms, conditional sale agreement or bill of sale or other Encumbrance, are in its possession or control and there are no agreements or arrangements restricting the freedom of that Group Company to use or dispose of any of those Assets as it thinks fit.
- 10.4 No Group Company makes use of any Asset which is not included in the Accounts or the IFRS Accounts.
- 10.5 No material reduction in the value of any material Assets has occurred since the Accounts Date.

- 10.6 All Assets of, or used in connection with the business of, each Group Company are in the possession and under the control of that Group Company and are in good repair and operational condition and are regularly maintained in accordance with applicable industry standards and manufacturer recommendations and have been properly serviced.
- 10.7 All Assets of, or used in connection with the business of, each Group Company comprise all of the assets necessary for each Group Company to carry on the business as it is currently operated and are adequate for the purposes for which they are being used. No other rights are necessary for the conduct of the business of each Group Company.
- 10.8 No Asset of a Group Company has been taken or expropriated by any Relevant Authority, no notice or proceeding in respect of any expropriation relating to a Group Company has been given or commenced and, as far as the Seller is aware, there is no intent or proposal to give any notice or commence any proceeding in respect of any expropriation relating to a Group Company.
- 10.9 As far as the Seller is aware, there is no claim or basis for any claim that might or could have a Material Adverse Effect on the rights of a Group Company to use, transfer, licence, sell, operate or otherwise exploit its Assets and no Group Company has any obligation to pay any commission, licence fee, or similar payment to any person in respect thereof.
- 10.10 No Group Company has any residual liability in respect of any leasehold property.
- 10.11 Each marine vessel comprised within the Assets:
- (a) is duly registered under its flag state and holds all certificates required under applicable laws and international conventions;
 - (b) has all applicable statutory and class certificates in full force and effect;
 - (c) maintains valid classification with a recognized classification society, details of which are set out in the Disclosure Letter, and is not subject to any overdue recommendations, conditions, deficiencies, memoranda, surveys, or restrictions that would affect its class status or seaworthiness; and
 - (d) is insured under hull and machinery, protection and indemnity, and other customary policies, all of which are in full force and effect.
- 10.12 No marine vessel or vehicle Assets is off-hire, under seizure, arrest, detention or subject to port or harbour dues arrears.
- 10.13 All Assets have been operated and maintained in compliance with all Official Requirements, including maritime safety, Environmental Laws, and classification requirements.
- 10.14 No Asset is in violation of Environmental emissions or operation permits applicable to such Asset.
- 10.15 All inventories of a Group Company have been accumulated by such Group Company for use or for sale in the ordinary course of business, and are in good and marketable condition. The present level of inventories are consistent with the levels of inventories that have been maintained by each Group Company before the date of this Agreement in the ordinary course of business in light of seasonal adjustments, market fluctuations, and the requirements of customers of the business.

11 INSURANCES

- 11.1 Material, accurate and up to date details of all insurances maintained by each Group Company are Fairly Disclosed in the Disclosure Letter, all such insurances are and have at all material

times been in force, and no claims have been made by any Group Company on its insurers or are contemplated or outstanding which could have the effect of causing future premiums to be higher than they are at the date of this Agreement. Such insurances insure all the property and assets of each Group Company against loss or damage by all insurable hazards of risk on a replacement cost basis.

11.2 In respect of all insurances referred to in paragraph 11.1 above:

- (a) all premiums and any related insurance premium taxes have been duly paid to date;
- (b) each policy is in full force and effect and no act, omission, misrepresentation or non-disclosure by or on behalf of any Group Company has occurred which makes any of those policies voidable, nor have any circumstances arisen which would render any of these policies void or unenforceable for illegality or otherwise,
- (c) there has been no breach of the terms, conditions or warranties of any of those policies which would entitle the relevant insurer to decline to pay all or any part of any claim made under them;
- (d) there are no special or unusual limits, terms, exclusions or restrictions in any of the above policies, the premiums payable under them are not in excess of prevailing normal rates for comparable cover and so far as the Seller is aware there are no facts or circumstances which may give rise to any increase in premiums;
- (e) each policy provides the applicable Group Company with coverage in amounts that are customary, and that would reasonably be considered adequate and prudent, for a company carrying on a business similar to that of such Group Company in its jurisdiction;
- (f) details of all claims made during the period of three years preceding the date of this Agreement are Fairly Disclosed in the Disclosure Letter;
- (g) no Group Company has failed to give notice or present any claim under the above policies in a due and timely fashion and in accordance with the terms of the applicable policy; and
- (h) no claim is outstanding and so far as the Seller is aware, there are no facts or circumstances which may give rise to any claim under any of the above policies.

11.3 No claims have been made by employees of any Group Company in respect of industrial injury in the three years preceding the date of this Agreement.

12 BANK ACCOUNTS

12.1 The Disclosure Letter specifically discloses full details of each of the investment, deposit and bank accounts maintained by or on behalf of each Group Company and of the banks and other financial institutions at which they are kept.

12.2 Full details of all overdraft, loan and other financial facilities available to each Group Company and of all amounts borrowed under them are Fairly Disclosed in clause 11 of the Disclosure Letter and no person who provides any of those facilities has given any indication to any Group Company or the Seller that they are considering withdrawing or altering any of those facilities.

12.3 Neither the Seller nor any Group Company has done or omitted to do anything which is likely to affect adversely the continuance of the facilities referred to in paragraph 12.2 above.

12.4 There are no unrepresented cheques drawn by any Group Company otherwise than in the normal course of trading.

12.5 The Disclosure Letter contains a complete and accurate list of all individuals who currently hold bank signing authority under any bank mandate relating to each of the bank accounts of each Group Company as referred to in paragraph 12.1 together with all powers of attorney granted by or on behalf of any Group Company to operate, manage or otherwise transact on any bank account of each Group Company.

13 CONDUCT OF BUSINESS

13.1 There is no claim against and there are no circumstances which may lead to a claim against any Group Company relating to:

- (a) defects in quality, services, work or materials;
- (b) delays in delivery or completion of contracts;
- (c) breach of representation, warranty, condition or Official Requirement in relation to goods manufactured, sold or supplied, or services supplied (or agreed to be manufactured, sold or supplied) by it;
- (d) deficiencies of design or performance of equipment; or
- (e) any other liability for goods manufactured, sold or supplied, or services supplied by any Group Company.

13.2 No Group Company has agreed to produce or deliver replacement goods after the date of this Agreement or to take back or make good any defective goods or services or repair or service any goods free of charge or otherwise not at arm's length rates or issue a credit note or write off or reduce indebtedness in respect of any goods or services.

13.3 In the three years preceding the date of this Agreement not more than ten per cent in value of purchases by any Group Company have been placed in any twelve month period with any one supplier and not more than ten per cent in value of sales by any Group Company have been made in any twelve month period to any one customer.

13.4 Each Group Company:

- (a) has obtained all licences, authorization, registrations, permissions, approvals, grants, quotas, commitments, consents, commitments, rights, or privileges required for the carrying on of its business and to enable each of them to own, lease and operate its assets, which are in full force and effect and there are no circumstances which indicate that any of them are likely to be revoked, limited, or not renewed in the ordinary course; and
- (b) is in compliance with all such authorization, registrations, permissions, approvals, grants, quotas, commitments, consents, commitments, rights, or privileges under all applicable laws in the jurisdictions in which they carry on business, to permit them to conduct their business as currently conducted or proposed to be conducted.

13.5 All the authorization, registrations, permissions, approvals, grants, quotas, commitments, consents, commitments, rights, or privileges referred to in paragraph 13.4 of this Schedule 3 are renewable by their terms or in the ordinary course of each Group Company's business without the need for any Group Company to comply with any special qualifications or procedures or to pay amounts other than routine filing fees.

13.6 No Group Company carries out, nor since 31 December 2004 has any Group Company ever carried out, in the United Kingdom any "*Schedule 1 activity*" (as that expression is defined in the Greenhouse Gas Emissions Trading Scheme Regulations 2003) and no Group Company owns or operates, nor since 31 December 2004 has any Group Company ever owned or operated,

any installation (as defined in those Regulations). In addition, no Group Company has ever carried out, in any jurisdiction other than the United Kingdom, any activity that would require compliance with a greenhouse gas emissions reporting or regulatory obligations, and no Group Company has ever owned or operated any facility that would be subject to such obligations.

- 13.7 No Group Company has assumed a duty of care to any third party (including any employee of any other Group Company or of any other company) such as to render that Group Company liable to that third party for any breach of that duty of care.
- 13.8 All agreements with third party contractors for the provision of equipment or services in connection with the business of a Group Company have been entered into and are being performed by such Group Company, and as far as the Seller is aware, by all other third parties, in compliance with their terms and all standard, mandatory or necessary precautions, calibrations, checks and tests have been and are being undertaken in connection therewith. As far as the Seller is aware, there are no technical issues, defects or failures with respect to any of a Group Company's existing sensor products, cameras, hardware or related infrastructure, except in each case as could not reasonably be expected to have a Material Adverse Effect.

14 DIRECTORS AND EMPLOYEES

- 14.1 A schedule of all of the directors, Secretary, officers, employees and Workers of each Group Company is specifically disclosed in the Disclosure Letter, including their position/title, salaries, location of work, notice periods, term of employment (if not indefinite), benefits, bonus or other incentive compensation (monetary or otherwise), and dates of commencement of employment or engagement (including previous periods of employment or engagement), and for each individual identifying whether they are a director, employee or Worker.
- 14.2 Any individual, including any consultant, performing services for any Group Company who has been classified by the relevant Group Company as an independent contractor has been correctly so classified and is in fact not an employee or worker of any Group Company under applicable law. For each such individual, the Disclosure Letter specifically discloses a list of applicable corporate names, principal names, compensation terms, length of engagement, location, approximate monthly hours of work, type of services, and whether their engagement is subject to a written contract.
- 14.3 The Disclosure Letter specifically discloses:
- (a) the terms and conditions of employment which apply to each of the directors and any person employed by any Group Company whose basic salary is equal to or in excess of £150,000 a year;
 - (b) the standard terms of employment or engagement which apply to all employees and Workers of each Group Company; and
 - (c) all handbooks, policies and procedures, rules and other documents which apply to any employees and details of whether any such documents apply to Workers,
- complete copies of which, including any related agreements, have been provided to the Buyer.
- 14.4 As far as the Seller is aware, no employee, Worker or consultant performing services for any Group Company is in violation of any term or condition of an agreement relating to the right of that person to be employed, engaged or retained by any Group Company and the continued employment or engagement by any Group Company of its current employees and Workers will not result in the violation of those agreements.
- 14.5 In the period of 12 months ending on the date of this Agreement, no change has been made nor agreed to be made nor proposed by any Group Company in the terms of employment of any of its directors or employees.

- 14.6 No Group Company has transferred or agreed to transfer any employee to any party outside of the Group or induced any employee to resign their employment with the Group Company.
- 14.7 No negotiations for any increase in remuneration or benefits or change in any other term of the employment of any of the employees of any Group Company are current or are due to take place within six months after the date of this Agreement, no offer of or demand for any such increase has been made, and no employee of any Group Company has within the last 12 months received an increase in remuneration of more than 5% or suffered any reduction in remuneration.
- 14.8 All amounts due and owing or accrued due, but not yet owing, as applicable, for all employee and Worker compensation, including salary, wages, overtime, bonuses, commissions, vacation pay, sick days, other incentive payments, pension or other benefits, have been paid in full or, if accrued, are reflected in the Accounts and have been deducted, withheld, and remitted on a timely basis.
- 14.9 There are not in existence:
- (a) any employment contracts or other contracts with directors or employees of any Group Company which cannot be terminated by six months' notice or less without giving rise to any right to claim damages or compensation (other than compensation under the Employment Rights Act 1996 (in the United Kingdom) or equivalent mandatory employment laws in any other applicable jurisdiction);
 - (b) any contracts or any arrangements to which any Group Company is a party involving:
 - (i) employment-related securities, shares, securities or share options or interests;
 - (ii) employee or family benefit trusts or similar arrangement; and/or
 - (iii) profit sharing or bonus, commission, incentive or other similar payments,for any existing or former employees or directors or any of their dependants, nominees or associates and none are proposed to be introduced by any Group Company;
 - (c) any contracts or arrangements which entitle any director, officer or senior employee of any Group Company (or any such former directors, officers or senior employees), to terminate their employment, vary their terms of employment, or receive any payment, transaction bonus, incentive or other benefit which is in any way connected to or dependent on Completion, other than as specifically disclosed in the Disclosure Letter;
 - (d) any contracts or arrangements, other than those disclosed in relation to paragraphs 14.9(a), 14.9(b) or 14.9(c) above, of whatever kind (whether legally enforceable or not) between any Group Company and existing or former directors or employees of that Group Company including contracts or arrangements for any indemnity, benefit or payment of any nature to or for the benefit of any existing or former directors or employees or any of their dependants;
 - (e) any consultancy secondment or agency agreements or other arrangements between any Group Company and any other person, firm or company for the provision of an individual's services to or by any Group Company; or
 - (f) any arrangements by which any person has the use of any credit or charge card or account for which that Group Company is responsible.
- 14.10 All of the directors and employees specifically disclosed in the Disclosure Letter are engaged exclusively in the business of the Group.

- 14.11 The Disclosure Letter contains a complete and accurate list of all entities engaged as employers of record, professional employer organisations or similar service providers that employ personnel on behalf of any Group Company in any jurisdiction.
- 14.12 There are no maternity or paternity, adoption, parental, emergency, child caring or other leave schemes (whether legally enforceable or not) which vary the rights, privileges and powers granted by law to any employee of any Group Company.
- 14.13 There is no redundancy, termination or severance entitlement, practice or policy of any Group Company (whether legally enforceable or not) which varies the statutory redundancy, termination or severance entitlement of any employee or which sets out a selection process and none is pending or proposed.
- 14.14 There has been no payment in excess of the statutory redundancy entitlement made by any Group Company in the two years preceding the date of this Agreement.
- 14.15 There are no persons who are on secondment, maternity or other family leave or who are absent on grounds of disability, or any other leave of absence due to ill-health or any other reason which has lasted or is reasonably expected to last for 12 weeks or more and who have a contractual or statutory right to return to work for any Group Company.
- 14.16 There have been no trade disputes, strikes or industrial action short of strike action (official or unofficial) by any of the employees of any Group Company during the period of six years immediately preceding the date of this Agreement and there is nothing likely to give rise to such a dispute or claim.
- 14.17 There is no agreement or arrangement, whether written or oral or by custom and practice, nor any request, proposal or notice (whether mandatory or voluntary and whether made to any Group Company or to the Central Arbitration Committee) involving any Group Company in relation to:
- (a) recognition of a trade union, works council, or other body representing employees;
 - (b) collective terms and conditions or representation; or
 - (c) representation of, informing or consultation with employees.
- 14.18 No Group Company has made or agreed to make or provide any payment or benefit to any current or former director, employee or Worker, or to any dependant of such a person, in connection with the actual or proposed termination or suspension of any office, any contract of employment or any contract for services within the last 12 months.
- 14.19 There are no sums owing to or from any director or employee other than reimbursement of expenses for the prior two months, pay for the current pay period and holiday pay for the current holiday year.
- 14.20 There is no enquiry, investigation, claim, demand, liability, dispute or sums outstanding, pending or threatened (and, so far as the Seller is aware, there are no facts, circumstances or events which may lead to any enquiry, investigation, claim, demand, liability or material dispute) against any Group Company on the part of any person who has been or is its director, employee or Worker (or the dependant of any such persons) and no claims, demands or material disputes have been brought by any current or former director, employee or Worker against any Group Company at any time in the three years preceding the date of this Agreement.
- 14.21 There have been no settlement agreements or COT3 agreements (or any equivalent conciliation, compromise, settlement, or arbitration agreements under applicable employment laws in any other jurisdiction) entered into by any Group Company within the two years preceding the date of this Agreement.

- 14.22 The Seller is not aware of any material grievance on the part of any employee, the employees generally or any section of the employees (in each case) of any Group Company.
- 14.23 No Group Company has committed any material unfair labour practice during the past three years.
- 14.24 Within a period of one year preceding the date of this Agreement no Group Company has:
- (a) given notice of any redundancies to any Relevant Authority or started consultations with any independent trade unions or employee representatives under the provisions of Chapter II of Part IV Trade Union and Labour Relations (Consolidation) Act 1992 or under any equivalent laws in any other jurisdiction, nor has any Group Company failed to comply with any such obligation under those provisions or under any equivalent laws in any other jurisdiction; or
 - (b) been a party to any relevant transfer as defined in the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("**TUPE**") and no event has occurred which may involve any employees in the future being party to a TUPE transfer nor has any Group Company failed to comply with any duty to inform and consult any independent trade unions or employee representatives under those Regulations or under any equivalent laws in any other jurisdiction. No employee has had their terms of employment varied where the reason or a reason for such variation, is the TUPE transfer or as a result of or connected with such a TUPE transfer or any equivalent transfer under applicable laws in any other jurisdiction.
- 14.25 Each Group Company has in relation to each of its directors, employees and Workers (and, so far as relevant, to each of its former employees) complied with:
- (a) all obligations imposed on it by contract, common law, equity and all Enactments, rules, regulations, acts and codes of conduct and practice relevant to the relations between it and its directors, employees, Workers and any trade union or employee representatives, including regarding fair employment practices, statutory employment standards (including the payment of wages, hours of work and overtime), classification of workers, collective bargaining, collective dismissals and mass terminations, disability, leaves, human rights, privacy, occupational health and safety, hazardous materials, pay equity, employment equity, employment immigration and workers' compensation, and has maintained current adequate, suitable and up to date records regarding the service and terms of employment of each of its directors, employees and Workers;
 - (b) all collective agreements, recognition agreements, information and consultation arrangements and customs and practices with any trade union, employee representative or body or employees or their representatives (whether binding or not) for the time being dealing with those relations or the conditions of employment of its employees (whether binding or not);
 - (c) all relevant orders and awards made under any relevant Enactment or code of conduct and practice affecting the conditions of service of its employees or the engagement of its Workers;
 - (d) all recommendations made by the Advisory Conciliation and Arbitration Service, all decisions made in relation to employees of that Group Company by its Arbitration Panel and with all awards and declarations made by the Central Arbitration Committee and, in each case, of which it is aware;
 - (e) all orders, judgments and decisions of any court or tribunal; and
 - (f) all obligations imposed on it under the contracts or terms of employment or engagement of its employees or Workers.

- 14.26 No director, employee or Worker is subject to a current investigation, disciplinary warning or procedure.
- 14.27 No person is a shadow director of any Group Company within the meaning of section 251 CA 2006, held out to be a director, acting as a de facto director, or exercising the powers and functions of a director other than those listed in paragraph 14.1.
- 14.28 All part-time, temporary and fixed-term employees of each Group Company enjoy the same benefits as full time employees of that Group Company on at least a pro rata basis.
- 14.29 There are no amounts of remuneration outstanding (including bonuses, holiday pay, and liabilities under section 13 Employment Rights Act 1996 or any equivalent statutory or contractual entitlements under applicable employment laws, accrued to the Completion Date) to any existing or former employee, Worker or director of any Group Company (other than amounts representing salary accrued due for the current pay period, holiday which has accrued but is outstanding for the current holiday year or for reimbursement of legitimate business expenses).
- 14.30 In the two years preceding the date of this Agreement, in respect of each of the employees of any Group Company:
- (a) in the United Kingdom, all holiday pay for periods of holiday taken under regulation 13 of the Working Time Regulations 1998 (SI 1998/1833) has been calculated and paid in accordance with the Directive 2003/88/EC of the European Parliament and of the Council of 4 November 2003 concerning certain aspects of the organisation of working time (as it applies in England and Wales from time to time, including as retained, amended, extended, re-enacted or otherwise given effect on or after 23.00 on 31 January 2020); and
 - (b) in any other jurisdiction, all other holiday pay, vacation pay, and any other statutory or contractual entitlements relating to paid time off, have been calculated and paid in accordance with applicable employment standards legislation or equivalent laws.
- 14.31 There are no loans to any current or former director or employee of any Group Company (or to any nominees or associates of such directors or employees) made or arranged by:
- (a) any Group Company;
 - (b) any employee benefit trust or similar arrangement established by any Group Company;
- 14.32 No employee or director of any Group Company has given notice to terminate, or is under notice of termination and there are no proposals to terminate the employment of any such employee or director and there are no grounds on which any such employee or director may give, or may be given, notice to terminate, their employment with any Group Company and no such notice is pending, outstanding or threatened.
- 14.33 No former employee, Worker or director of any Group Company has been dismissed or terminated their employment or engagement within the six months preceding the date of this Agreement.
- 14.34 No Group Company has made an offer of employment or engagement to any person which has yet to be accepted or rejected or which has been accepted and will take effect after the date of this Agreement, in each case where such person would constitute a senior manager, officer or director of a Group Company and the job role has not been included in the budget for the Group.
- 14.35 Every employee and Worker of a Group Company incorporated in the United Kingdom is entitled to live and work in the United Kingdom and no employee of any Group Company is required to have a work permit in order to perform their duties in full and the Company has complied with

its duties under the Immigration, Asylum and Nationality Act 2006 and has obtained evidence that all employees have the right to work in the UK and has provided and will provide the Buyer with such information as the Buyer may request in order to verify such compliance. In respect of any other jurisdiction in which any Group Company has employees or Workers, each Group Company has complied with all applicable immigration, residency, and employment laws, has obtained evidence that all employees have the legal right to live and work in such jurisdictions, and will provide the Buyer with such information as the Buyer may reasonably request to verify such compliance.

- 14.36 Full details of all employees or Workers who require a visa, work permit, certificate of sponsorship or equivalent authorisation in order to remain and work in the jurisdiction that such employee or Worker currently lives and works together with copies of the relevant visa, work permit, certificate of sponsorship or equivalent authorisation are contained in the Disclosure Letter.
- 14.37 In relation to any employee or Worker who requires a visa, work permit, certificate of sponsorship or equivalent authorization in order to remain and work in the jurisdiction that such employee or Worker currently lives and works the relevant Group Company has at all times maintained any required registrations or licences as sponsor or employer for the purposes of applicable immigration rules and has properly obtained and issued all necessary authorizations such as a certificate of sponsorship to any such employee or Worker.
- 14.38 No visa, work permit, certificate of sponsorship or equivalent authorisation as disclosed under paragraph 14.36 will be revoked, require reapplication or other amendment or will otherwise be impacted by the transactions contemplated by this Agreement.
- 14.39 Each Group Company has complied at all times with the COVID-19 Regulations (being the Coronavirus Act 2020 and associated treasury directions) relating to the Coronavirus Job Retention Scheme in place at the relevant time as well as applicable law in relation to the furlough or COVID-19 related variation of the terms and conditions of employment of any employees including section 188 TULRCA, and, in respect of any other jurisdiction in which any Group Company operates, has complied with all applicable COVID-19 related laws and government programs and with all requirements relating to the variation of employment terms and conditions arising from COVID-19 measures.
- 14.40 No claim has been made under the Coronavirus Job Retention Scheme that is abusive of or otherwise contrary to the exceptional purposes of the Coronavirus Job Retention Scheme and, in respect of any other jurisdiction in which any Group Company operates, no claim has been made under any COVID-19 related government program or similar initiative that is abusive or otherwise contrary to the intended purpose of such program.
- 14.41 Each Group Company has complied with all applicable laws, COVID-19 Regulations and health and safety obligations under statute, common law and any applicable guidance in relation to COVID-19 relating to all current or former directors, employees or Workers and any other relevant person.
- 14.42 There is no enquiry, investigation, claim, demand, liability, dispute or sums outstanding, pending or threatened (nor as far as the Seller is aware any circumstances, facts or events which may lead to any enquiry, investigation, claim, demand, liability or material dispute) against any Group Company on the part of any Relevant Authority and no claims, demands or material disputes have been brought by any Relevant Authority at any time in the three years preceding the date of this Agreement.
- 14.43 There have been no fatal or critical accidents which have occurred in the course of the operation of the business which could reasonably be expected to lead to charges, assessments or complaints under the occupational and safety or workers' compensation laws. There are no outstanding assessments, penalties, fines, liens, charges, surcharges, or other amounts due or

owing pursuant to any workers' compensation or workplace safety and insurance laws in respect of any Group Company.

15 PENSIONS

15.1 In this paragraph 15:

- (a) the disclosed schemes ("**Disclosed Schemes**") are:
 - (i) the Group Personal Pension Plan provided by Aviva for employees in the United Kingdom;
 - (ii) the Sonardyne Inc. 401(k) Plan;
 - (iii) the Central Provident Fund;
 - (iv) the Canadian Retirement Saving Plan;
 - (v) the Australian superannuation fund;
 - (vi) the Personal Pension Plan provided by Hargreaves Lansdown and Embark Pensions for certain employees of Wavefront Systems Limited; and
 - (vii) the defined contribution pension scheme provided by Nordea Pension for employees in Denmark;
- (b) the insured benefits are the health, critical illness, medical benefits insured under the policy issued by [Redacted – Commercially Sensitive Information] ("**Insured Benefits**").

15.2 Other than the Disclosed Schemes and the Insured Benefits, there is no arrangement to which any Group Company contributes, or has contributed, or is or may become liable to contribute or pay any sum now or in the future, for the payment of a pension, gratuity, allowance, lump sum or other benefit on retirement, death, the attainment of a particular age or the attainment of a particular number of years of service, termination of employment (whether voluntary or not) or sickness or disablement (whether during service or after retirement). No Group Company proposes or has made any proposal or given any undertaking or assurance to any person to enter into or establish or participate in any such arrangement. There have been no promised improvements, amendments, increases or changes to the benefits provided under any Disclosed Scheme or Insured Benefit, whether legally binding or not.

15.3 None of the Disclosed Schemes:

- (a) in the United Kingdom, provide benefits other than money purchase benefits as defined in section 181 Pensions Schemes Act 1993 or lump sum benefits on death; and,
- (b) in respect of any other jurisdiction in which any Group Company operates, provide benefits other than defined contribution benefits (or their local equivalent) or lump sum benefits on death, and no Disclosed Schemes provides for post-employment or retiree health, medical, death or other benefits in respect of employees, former employees, independent contractors or former independent contractors or to the beneficiaries or dependents of any of those persons (other than benefits required by applicable law) and no Group Company has never sponsored or participated in such a plan.

15.4 No Group Company has any obligation, whether under sections 257 and 258 Pensions Act 2004, as a result of a previous business transfer, under the employees' contracts of employment, or otherwise, to provide any benefit on retirement, death, the attainment of a particular age or the attainment of a particular number of years of service, redundancy, termination of employment (whether voluntary or not) or sickness or disablement (whether

during service or after retirement) not currently provided under the Disclosed Schemes or the Insured Benefits.

- 15.5 Full and accurate particulars of the Disclosed Schemes have been provided to the Buyer which are sufficient to enable the Buyer to determine the full extent of each Group Company's obligations and liabilities in respect of the Disclosed Schemes including, where relevant:
- (a) full details of all employees who are members of the Disclosed Schemes;
 - (b) details of the current contribution rate of each Group Company and a copy of the current payment schedule;
 - (c) all policies and contracts effected with any insurance company for the purposes of the Disclosed Schemes and in respect of the Insured Benefits; and
 - (d) confirmation of the definition of: (i) pay used to calculate contributions to comply with the requirements of Part 1 of the Pensions Act 2008 (automatic enrolment and associated duties) or, (ii) earnings and/or salary used to calculate contributions in accordance with the terms of the applicable Disclosed Schemes and as required under applicable pension standards laws in the jurisdiction where the Disclosed Scheme is registered.
- 15.6 All contributions payable to the Disclosed Schemes by each Group Company and the members up to Completion have been paid in a timely fashion in accordance with the terms of each Disclosed Scheme and applicable laws. No taxes, penalties or fees are owing or exigible under or in respect of any Disclosed Scheme.
- 15.7 All premiums payable by each Group Company in respect of the Insured Benefits up to Completion will have been paid.
- 15.8 All actuarial, consultancy, legal, investment and other fees, charges, levies and taxes due or accrued in respect of the Disclosed Schemes and the Insured Benefits and any predecessor arrangement have been paid or will have been paid by Completion.
- 15.9 Other than routine claims for benefits, there are not in respect of any of the Disclosed Schemes or in respect of the Insured Benefits any claims, disputes or proceedings pending or threatened against any Group Company or trustees of the Disclosed Schemes (including for taxes) and so far as the Seller is aware, there are no facts or circumstances which may give rise to any action or claim.
- 15.10 There have been no reports or written complaints concerning any of the Disclosed Schemes to, or any investigation by, The Pensions Advisory Service, the Pensions Ombudsman, the Pensions Regulator, the Financial Conduct Authority or the Financial Ombudsman Service or any other Relevant Authority outside of the United Kingdom.
- 15.11 No civil or criminal penalty, fine or other sanction has been imposed on or against any Group Company or any other person in relation to the Disclosed Schemes.
- 15.12 Neither the Seller nor any Group Company nor any associate or connected company of the Seller or any Group Company, nor the trustees of the Disclosed Schemes has given any indemnity, comfort, guarantee or undertaking in relation to the Disclosed Schemes or any other occupational pension scheme. For these purposes only "connected" and "associate" have the meanings given to them respectively in sections 249 and 435 Insolvency Act 1986.
- 15.13 No Group Company has unlawfully discriminated against any employee or former employee on account of the employee's age, gender, race, religion or belief, sexual orientation, disability or on account of the employee being employed on a part-time or a fixed-term contract basis in respect of access to, or benefits under, the Disclosed Schemes.

- 15.14 All benefits payable under the Disclosed Schemes on the death of an employee or during periods of sickness or disability of a member (other than a return of fund) are at the date of this Agreement fully insured and each employee has been covered for such insurance at normal rates and on normal terms for persons in good health and all such insurance premiums have been paid.
- 15.15 So far as the Seller is aware, the Disclosed Schemes have at all times been established, registered (where desirable or required), communicated, funded, invested, operated and administered in accordance with the trusts, powers and provisions of their governing documentation, the requirements of HMRC, the Financial Conduct Authority, the Pensions Regulator and all applicable laws and regulations whether of the United Kingdom or elsewhere. No fact or circumstance exists that could adversely affect the tax exempt, tax preferred, or registered status of any Disclosed Scheme.
- 15.16 Each Group Company and its agents and delegates has complied with all its obligations (including fiduciary obligations) in respect of the Disclosed Schemes including all statutory obligations. No Group Company or any of its agents has received, in the last five years, any notice questioning or challenging that compliance (other than in respect of any claim for benefit payments in the ordinary course of business related solely to any individual) and no Group Company has any knowledge of any such notice.
- 15.17 Each Group Company has complied with the requirements of the EU General Data Protection Regulation (and before that the Data Protection Act 1998) and, in respect of any other jurisdiction in which any Group Company operates, with all applicable data protection and privacy laws, in so far as they relate to the Disclosed Schemes and the Insured Benefits.
- 15.18 Each Group Company that has a Disclosed Scheme in the United Kingdom has at all times complied with Part 1 of the Welfare Reform and Pensions Act 1999, the Stakeholder Pension Schemes Regulations 2000, Part 1 of the Pensions Act 2008 and all regulations made and guidance issued by the Pensions Regulator under them. Each Group Company that has a Disclosed Scheme outside of the United Kingdom has at all times complied with all applicable laws and guidance relating to relating to the operation of workplace pension arrangements, mandatory retirement savings schemes, automatic enrolment or participation requirements, employer contribution obligations, and disclosure duties.
- 15.19 No debt has become due in relation to any Group Company in accordance with section 75 or 75A Pensions Act 1995. No Group Company is party to any withdrawal arrangement in relation to any pension arrangement.
- 15.20 No employer other than the relevant Group Company participates or has participated in the Disclosed Schemes.
- 15.21 No Group Company has at any time within the six years prior to Completion been "connected" with or an "associate" of any employer which is or has been participating in a pension scheme to which any of sections 38, 43, 47, 52, 55 or 58 Pensions Act 2004 applies. For these purposes only "connected" and "associate" have the meanings given to them respectively in sections 249 and 435 Insolvency Act 1986.
- 15.22 The Pensions Regulator has not exercised any of its powers under the Pensions Act 1995 or the Pensions Act 2004 against any Group Company and so far as the Seller is aware, there are no facts or circumstances which might give rise to the Pensions Regulator exercising any of its powers. No pensions regulator or authority outside of the United Kingdom has similarly exercised or is reasonably likely to exercise any of its powers against any Group Company.
- 15.23 No Disclosed Scheme or Insured Benefit or agreement affecting any Disclosed Scheme or Insured Benefit requires or permits a retroactive increase in, or acceleration of payment or vesting of contributions, premiums, benefits, or other payments due under that Disclosed Scheme, Insured Benefit, or agreement affecting same.

- 15.24 No provision of any Disclosed Scheme, Insured Benefit or of any agreement, and no act or omission of any Group Company, in any way limits, impairs, modifies or otherwise affects the rights of a Group Company to unilaterally amend or terminate any Disclosed Scheme or Insured Benefit.
- 15.25 All liabilities of each Group Company, contingent or otherwise, related to all Disclosed Schemes and Insured Benefits have been fully disclosed in accordance with the Accounting Standards in the Accounts.
- 15.26 The execution of this Agreement and the completion of the transactions contemplated by this Agreement will not (either alone or together with any additional or subsequent events) constitute an event under any Disclosed Scheme or Insured Benefit that will or may result in any payment (whether of severance pay or otherwise), acceleration of payment or vesting of benefits, forgiveness of indebtedness, vesting, distribution, restriction on funds, increase in benefits or obligation to fund benefits with respect to any employee.
- 15.27 All data necessary to administer each Disclosed Scheme and Insured Benefit in accordance with its terms and all applicable laws have been provided to the Buyer and that data is complete, correct, and in a form that is sufficient for the proper administration of each Disclosed Scheme and Insured Benefit.

16 COMMERCIAL CONTRACTS AND JOINT VENTURES

- 16.1 The Disclosure Letter specifically discloses any contract to which a Group Company is a party or by which it is bound (the "**Material Contracts**") that:
- (a) involves or may result in the payment of money or money's worth by a Group Company in an amount in excess of £550,000 during the financial year ending on the Accounts Date;
 - (b) in respect of any active Material Contracts only, involves or may result in the payment of money or money's worth to a Group Company in an amount in excess of £3,000,000;
 - (c) is a material customer contract which has an unexpired term that will extend past the one-year anniversary of Completion (including renewals);
 - (d) is with a customer of a Group Company, where that customer represents 5% or more of such Group Company's gross revenue in the financial years ending 31 December 2024 or 31 December 2025, or is expected to represent 5% or more of such Group Company's gross revenue in the financial year ending 31 December 2026;
 - (e) is with a customer of a Group Company which is within the top 5 customers calculated by revenue generated for such Group Company in the financial year ending 31 December 2025;
 - (f) is with a supplier of a Group Company which is within the top 5 suppliers calculated by expenditure incurred by such Group Company in the financial year ending 31 December 2025;
 - (g) is with a Relevant Authority or any other government, governmental agency, military, navy or other defence-related entity in any jurisdiction;
 - (h) requires any form of security clearance, special permitting or regulatory authorization for performance, including but not limited to classified work or restricted access obligations;
 - (i) is with any third-party resellers, distributors or agents relating to the sale, licencing or distribution of the Group's products or services;

- (j) provides for the establishment of, investment in, or organization or formation of any joint venture, consortium or partnership arrangement or agreement (including any limited partnership), limited liability company, unincorporated association, or other revenue-sharing arrangement in which a Group Company participates or has an interest;
 - (k) creates an exclusive dealing arrangement, right of first offer or most favoured nation arrangement with respect to any asset, product or service of a Group Company;
 - (l) is with a party that is not at arm's length with a Group Company or any affiliate or person connected with a Group Company;
 - (m) the termination of which, or under which the loss of rights, would reasonably be expected to constitute a Material Adverse Effect; or
 - (n) are material to a Group Company and made outside of the ordinary course of business.
- 16.2 Except as disclosed in the Disclosure Letter, no Group Company is in breach of any Material Contract, and there exists no state of facts that, after notice or lapse of time or both, would constitute a default or breach under any Material Contract or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder. Each Group Company has performed all material obligations in a timely manner under each Material Contract.
- 16.3 No counterparty to any Material Contract: (1) is in default of any of its obligations under any Material Contract, or (2) has notified the Group of its intentions to not renew, or materially reduce its business under, the existing Material Contract.
- 16.4 There exists no actual or, as far as the Seller is aware, threatened termination, cancellation or limitation of, or any material adverse modification or material change in, the business relationship of a Group Company, with any supplier or customer, or any group of suppliers or customers whose business with or whose purchases or inventories or components provided to the business of a Group Company are individually or in the aggregate material to the assets, business, properties, operations or financial condition of a Group Company. All such business relationships are intact and mutually cooperative, and there exists no condition or state of fact or circumstances that would prevent a Group Company from conducting such business with any such supplier or customer, or group of suppliers or customers in the same manner in all material respects as currently conducted or proposed to be conducted.
- 16.5 Each Group Company is entitled to all benefits under each Material Contract to which it is a party or by which it is bound, and no Group Company has received any notice of termination of any Material Contract. Each Material Contract is valid, subsisting, in good standing and in full force and effect, enforceable in accordance with its terms.
- 16.6 The Seller has made available to the Buyer a true and complete copy of each Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder).
- 16.7 There are not now outstanding:
- (a) any contracts or arrangements to which any Group Company is party and which are loss-making;
 - (b) any contracts or arrangements which may give rise to any present or future obligation or liability on the part of any Group Company to pay any commission, royalty, finder's fee or any similar payment;
 - (c) any contracts or arrangements (whether executed or executory) entered into by any Group Company otherwise than by way of bargain at arm's length or otherwise than in the ordinary course of business;

- (d) any Material Contracts which cannot be terminated by the giving by any Group Company of ninety days' notice without payment of compensation or damages;
- (e) any contracts or arrangements that expressly limit any Group Company's ability to compete in any line of business, or limit any Group Company's ability to transfer or move any of its assets or operations, limiting the scope to whom any Group Company may sell products or deliver services, or any covenant that could reasonably be expected to have a Material Adverse Effect;
- (f) any powers of attorney given by any Group Company or any other authority (express or implied) by which any person external to the Group may enter into any contract or commitment on behalf of any Group Company; or
- (g) any written or oral agreement or option or any right or privilege (whether by law, pre-emptive, contractual or otherwise) capable of becoming an agreement or option or convertible obligation of any kind, for the purchase of any of the assets of a Group Company, other than in the ordinary course of business.

16.8 No Group Company is a party to any such contract as is referred to in section 702(1) CA 2006 or for the purchase or redemption of its own shares.

16.9 No Group Company is a party to any agreement any provision of which is void, voidable or otherwise unenforceable in any respect (including in relation to the payment or receipt of interest).

17 SHARE CAPITAL

17.1 No Group Company has issued any share warrants to bearer nor has it issued any bearer shares nor convertible obligations of any kind for the purchase of any shares of any Group Company, or other contracts or commitments that could require the Company to sell, transfer or otherwise dispose of any shares of a Group Company, and the entire issued share capital of each Group Company is in registered form.

17.2 There are no agreements or instruments in force which require or confer the right (conditionally or unconditionally) to require the issue of any share or loan capital of any Group Company now or at any time in the future nor are there any agreements, restrictions or obligations entered into by or binding on any Group Company (whether by law, pre-emptive, contractual, or otherwise) as to its unissued share or loan capital or any other security convertible into or exchangeable for any such share capital or to require any Group Company to purchase, redeem or otherwise acquire any of such share capital.

17.3 No Group Company is a party to any agreement which in any manner affects the voting control of any shares of such Group Company, and as far as the Seller is aware, there is no such agreement.

18 INTELLECTUAL PROPERTY

18.1 Full and accurate details of all registrations of and applications for registration of Intellectual Property and of all material unregistered Intellectual Property are specifically disclosed in the Disclosure Letter.

18.2 Full and accurate details of all current licences, agreements, authorisations and permissions (in whatever form and whether express or implied) to use, sell or licence any of the Intellectual Property by or to (except Intellectual Property licenses granted to customers in the ordinary course in object code pursuant to written contracts) any Group Company are specifically disclosed in the Disclosure Letter. Otherwise each Group Company has not licensed any Intellectual Property to any third party where such licence is current.

- 18.3 Each Group Company is the sole legal and beneficial owner of all Intellectual Property Rights (other than any Third Party Software and Intellectual Property licenses by a third party under the licences referred to in paragraph 18.2) relating to products manufactured by it or on its behalf or used by it in connection with its business, and possesses all right, title and interest in those Intellectual Property Rights, in each case free from Encumbrances.
- 18.4 No third party materials or third party contractors were used in the development of the Intellectual Property by each Group Company (or its licensor in the case of Intellectual Property licensed by a third party under the licenses referred to in paragraph 18.2).
- 18.5 No Intellectual Property owned or used by a Group Company has been conceived, developed or otherwise generated using any grant funding or financial assistance provided by any Relevant Authority, government, governmental agency, research institute or similar organisation in any jurisdiction.
- 18.6 The Intellectual Property is the original work of each Group Company (or its licensor in the case of Intellectual Property licensed by a third party under the licences referred to in paragraph 18.2) and has not been copied wholly or substantially from any other work or material or any other source.
- 18.7 No Intellectual Property owned or used by a Group Company is subject to any licence terms that impose copyleft obligations or similar requirements, including but not limited to obligations to disclose source code, permit free redistribution or grant rights to create derivative works under open-source or reciprocal licencing models.
- 18.8 The Intellectual Property is valid and subsisting and the Seller does not know of, or of any basis for, any claim for revocation, amendment, opposition or rectification or any challenge to ownership, entitlement, validity, enforceability, use, right, or licensing in respect of any of the Intellectual Property.
- 18.9 All application fees and renewal fees and other steps required for the maintenance or protection of the Intellectual Property have been paid or taken on time. No Group Company has taken any steps that could constitute abandonment of any registered Intellectual Property.
- 18.10 The Intellectual Property licences referred to in paragraph 18.2:
- (a) are valid, enforceable, and binding and recorded in writing;
 - (b) are not the subject of any claim, dispute or proceeding, pending or threatened, and there are no circumstances which are likely to give rise to a breach, claim, dispute or proceeding and each Group Company has no reason to believe that such agreements or licenses will not be renewed when they expire on the same or substantially similar terms;
 - (c) have, where required, been duly recorded or registered; and
 - (d) grant the applicable Group Company permissions to use, reproduce, sub-licence, sell, modify, update, enhance or otherwise exploit the Intellectual Property licenced to such Group Company to the extent required to operate all material aspects of the business of such Group Company as currently conducted and proposed to be conducted.
- 18.11 Each Group Company has complied with all its obligations under any licence, sublicense, distributor agreements, and other agreements under which such Group Company is either a licensor, licensee, or distributor, relating to the Intellectual Property, all of which contain terms and conditions prohibiting the unauthorized use, reproduction, disclosure, reverse engineering, or transfer of such Intellectual Property. No such licence, sublicense or agreement is or will become liable to termination because of any breach by or on behalf of any Group Company or the transactions contemplated by this Agreement, and no party to them is in default in any

material respect, nor is there any event which with notice or lapse of time or both would constitute a material default.

- 18.12 No Group Company is required nor is it likely to become liable to pay a royalty or any other sum to any third party in respect of any of the Intellectual Property.
- 18.13 Each Group Company is free to disclose any Business Information but has not disclosed any of it except in the ordinary course of business and against written undertakings from the recipient to keep all such disclosed Business Information confidential, or to the Buyer.
- 18.14 No Group Company is infringing or has ever infringed, either directly or through any other person, the Intellectual Property Rights of any third party, and no third party has alleged any such infringement. The operation of the Intellectual Property, the business, and the products or services owned, used, developed, sold, provided, imported, made licensed or otherwise exploited by the Group Companies, does not infringe the Intellectual Property Rights of any third party.
- 18.15 The Seller does not have any rights to use any of the Intellectual Property.
- 18.16 No claim under sections 39 to 43 Patents Act 1977 and no assertion of any rights under Chapter IV Copyright, Designs and Patents Act 1988 or their equivalents in any applicable territory have been made in respect of any of the Intellectual Property. Each Group Company has obtained from all authors of the Intellectual Property for which it employs, contracts or is otherwise responsible written absolute, irrevocable and unconditional waivers in relation to their moral rights arising under Chapter 4 of the Copyright, Designs and Patents Act 1988 and, so far as is legally possible, any broadly equivalent rights such authors may have in any territory in the world.
- 18.17 Each employee of and contractor to a Group Company has signed a confidentiality and non-disclosure agreement and, as far as the Seller is aware, there has not been any material breaches of such confidentiality and non-disclosure agreements and the employment of any employee or the retainer of any consultant of a Group Company does not, as far as the Seller is aware, violate any non-disclosure or non-competition agreement between any employee or consultant and a third party.
- 18.18 Each Group Company has taken all commercially reasonable actions to maintain and protect each item of Intellectual Property, including taking all commercially reasonable actions and precautions to protect the secrecy, confidentiality and value of any trade secrets and the proprietary and confidential nature and value of its Intellectual Property.
- 18.19 All Developed Software is owned by a Group Company and the source code of, and all programmers' notes, documentation and drafts relating to, all Developed Software are kept in a secure environment and have not been disclosed to any third party and each Group Company has taken all commercially reasonable steps to protect the same and treat it as confidential and proprietary business information. All copies of Developed Software that is distributed in connection with the business of a Group Company has been distributed solely in object form, and each copy so distributed is the subject of a valid, existing and enforceable licence agreement.
- 18.20 The Developed Software does not contain any open source software.
- 18.21 No Group Company has used open source software in any manner where such use would require disclosure or distribution in source code form, require the licensing for the purpose of making derivative works, impose any restriction on the consideration to be charged for the distribution of such open source software, create, or purport to create, obligations for such Group Company with respect to the Intellectual Property or grant, purport to grant, to any third party, any rights or immunities under the Intellectual Property, or impose any other material limitation, restriction or condition on the rights of a Group Company with respect to use or

distribution of the Developed Software. With respect to any open source software that is or has been used by a Group Company, such use has been and is in compliance with all applicable licences in respect of the open source software.

18.22 Each Group Company has made backups of all Developed Software, material software, and databases used by it and maintains such backups at a secure off-site location.

18.23 No Group Company requires any Intellectual Property Rights other than the Intellectual Property in order to use all the processes employed by it in its business as presently constituted or to manufacture, use and sell the products which result from those processes or otherwise to carry on its business.

18.24 There has been:

- (a) no infringement by any third party of any of the Intellectual Property; and
- (b) no breach of confidence, passing off or actionable act of unfair competition by any third party in relation to any Group Company's business or assets,

and no such infringement, breach of confidence, passing off or actionable act of unfair competition is current or anticipated by the Seller or any Group Company.

19 LITIGATION, OFFENCES AND PROCESSES

19.1 Except as specifically disclosed in the Disclosure Letter, and apart from routine debt collection of amounts due to any Group Company in the ordinary course of business, no Group Company is nor has it in the last 6 years been engaged in any litigation (whether criminal or civil), arbitration, investigation, reference of any dispute or disagreement to an expert or any alternative dispute resolution process and so far as the Seller is aware, there are no facts or circumstances which may give rise to any such litigation, arbitration, investigation, reference or alternative dispute resolution process.

19.2 In the six years prior to the date of this Agreement, no injunction has been granted against any Group Company and no Group Company has given any undertaking to any Court or to any third party arising out of any legal proceedings.

19.3 No unsatisfied judgment is outstanding against or otherwise involving any Group Company or relating in any way to the transactions contemplated by this Agreement.

19.4 Each Group Company is conducting and has at all times conducted its business in all material respects in accordance with all applicable laws and Official Requirements.

19.5 No Group Company has any liability (direct or vicarious) arising from any violation of any law or Official Requirement of the United Kingdom or the European Communities or the agreement relating to the European Economic Area or any local laws of any other jurisdiction nor from any ruling penalty or sanction which could adversely affect the business or financial condition of any Group Company nor in particular from any violation of any Enactment relating to consumer protection, employment, or industrial or labour relations.

19.6 So far as the Seller is aware:

- (a) there are no allegations, complaints or claims of any criminal conduct made against any directors, officers or employees of any Group Company such as to be reasonably likely to cause reputational damage to any Group Company;
- (b) there are no allegations, complaints or claims of sexual harassment made against any directors, officers or employees of any Group Company; and

- (c) there are no facts or circumstances which may give rise to any such allegations, complaints or claims.

19.7 No Group Company is, or has ever been, party to or concerned in any agreement, arrangement, understanding or practice which constitutes a breach of any term or condition of any licence, authorisation, appointment, code or similar instrument applicable to any Group Company or its business.

20 INSOLVENCY

20.1 No order has been made and no resolution has been passed for the winding up of any Group Company or the Seller or for a provisional liquidator to be appointed in respect of any Group Company or the Seller and no petition has been presented and no meeting has been convened for the purpose of winding up any Group Company or the Seller.

20.2 No administration order has been made and no application for administration (whether out of court or otherwise) has been made in respect of any Group Company or the Seller, nor has any administrator been appointed in respect of any Group Company or the Seller, nor has any notice of intention to appoint any such administrator been given, nor have any other steps been taken by any person (including the Seller, any Group Company or their respective directors) to appoint any such administrator.

20.3 No person has appointed or threatened to appoint a receiver (including any administrative receiver) in respect of any Group Company or the Seller or any of their respective assets.

20.4 No distress execution or other process has been levied on any asset of any Group Company nor has any person threatened any such distress execution or other process.

20.5 Neither any Group Company nor the Seller is insolvent, or unable to pay its debts within the meaning of section 123 Insolvency Act 1986 and nor has any of them stopped payment of its debts as they fall due.

20.6 No voluntary arrangement has been proposed under section 1 Insolvency Act 1986 in respect of any Group Company or the Seller.

20.7 So far as the Seller is aware, there are no facts or circumstances which may result in:

- (a) a transaction to which any Group Company is party being set aside; or
- (b) a third party claim involving any asset owned or used by any Group Company being made under sections 238 or 339 (Transactions at an undervalue) or 239 or 340 (Preferences) Insolvency Act 1986.

20.8 No event analogous to any of the above in this paragraph 20 has occurred in or outside of England and Wales in respect of any Group Company or the Seller.

21 GRANTS

21.1 Accurate, up to date, material details of all grants or subsidies or similar payments provided to any Group Company and which that Group Company remains at risk to pay back (in whole or part) have been Fairly Disclosed in the Disclosure Letter.

21.2 No Group Company has done or omitted to do or agreed to do or to omit to do anything as a result of which all or any part of any investment or other grant or employment subsidy or similar payment made or due to be made to any Group Company is or may be liable to be repaid, forfeited or withheld in whole or in part.

22 SPECIAL CONTRACTS AND ARRANGEMENTS

22.1 No Group Company has at any time:

- (a) repaid, redeemed or purchased or agreed to repay, redeem or purchase any shares in its share capital or otherwise reduced or agreed to reduce its issued share capital or any class of issued shares;
- (b) directly or indirectly provided any financial assistance (as defined for the purpose of section 677 CA 2006) contrary to section 678 or section 679 CA 2006; or
- (c) in the 7 years ending on the date of this Agreement capitalised or agreed to capitalise in the form of shares, debentures or other securities or in paying up any amounts unpaid on any shares debentures or other securities any profits or reserves of any description or passed or agreed to pass any resolutions to do so.

23 TRANSACTIONS INVOLVING SHAREHOLDERS OR DIRECTORS AND OTHERS

23.1 Except as specifically disclosed in the Disclosure Letter, the Seller is not a party to any shareholders' agreement or other agreement the terms of which restrict or prohibit (or purport to restrict or prohibit) the transfer or other disposal of:

- (a) any of the Sale Shares (or of any interest in any of the Sale Shares); or
- (b) any of the shares in the capital of any other Group Company (or of any interest in any of those shares); or
- (c) any of the shares in the capital of any of the Minority Interests,

in any circumstances.

23.2 No Group Company is a party to any shareholders' agreement or other agreement the terms of which restrict or prohibit (or purport to restrict or prohibit) the transfer or other disposal of any of the shares in the capital of:

- (a) that Group Company; or
- (b) any other Group Company; or
- (c) any Minority Interest,

(or of any interest in any of those shares) in any circumstances.

23.3 Except for bona fide contracts of employment with executive directors of that Group Company in the ordinary course of business, no transactions, contracts or arrangements (including any loan or Guarantee made or given by any Group Company) have been entered into during the six years prior to the date of this Agreement to which any Group Company is a party:

- (a) in which a shareholder in or director of any Group Company or any person connected with a shareholder in or director of any Group Company has been interested whether directly or indirectly; or
- (b) which fall within the definition of "related party transaction" contained in Chapter 11 of the Listing Rules published by the Financial Conduct Authority.

23.4 No monies (save for ordinary course salaries, other emoluments and expenses) are owed by any Group Company to any director of that Group Company or to the Seller or to any person connected with any such director or the Seller or to any company or partnership in which any of

those directors or the Seller are directly or indirectly interested other than as holders of listed securities.

23.5 No Group Company has any debts owed to it by its directors or any of them or by the Seller (or by a person connected with any such director or the Seller) or by any company in which the directors of any Group Company or any of them or the Seller (or any person connected with any of them) are directly or indirectly interested (other than as holders of listed securities) nor do the Seller or any Group Company's directors or any of them (or any person connected with any of them) or any such company have any claims, disputes or proceedings against any Group Company on any account whatsoever including claims for compensation for loss of office or for unfair dismissal or redundancy payment.

23.6 Neither the Seller nor any person connected with the Seller has any interest in any partnership or company (whether limited or unlimited and whether by way of shareholding, directorship, membership, employment or otherwise) which is competitive with the Group.

24 ADMINISTRATION

24.1 The Disclosure Letter specifically discloses all of the formation and governance documents of each Group Company, which are all in full force and effect.

24.2 The register of members or shareholder register of each Group Company contains a true and accurate record of those persons entitled at any time to be recorded as members or shareholders of that Group Company and their holdings of shares in the capital of that Group Company and there are no facts or circumstances which may give rise to an application for rectification of the register.

24.3 All mortgages, charges and debentures by or in favour of each Group Company to which section 860 CA 2006 applies, or which are required to be registered pursuant to applicable laws in other jurisdictions, have been registered in accordance with the provisions of that section or as required by applicable laws.

24.4 No direction has been given to any Group Company to change its name under Part 5 CA 2006 or under any other applicable laws.

24.5 All returns, particulars, resolutions and other documents required to be filed with or delivered to the Registrar of Companies and the Department for Business and Trade, or with or to the equivalent applicable corporate registry, governmental authority or regulatory body, by each Group Company have been correctly and properly prepared and so filed or delivered within the appropriate time period for filing or delivery.

24.6 All the accounts, books, ledgers, corporate records, minute books, and financial and other material records of whatever kind of each Group Company during the 7 years ending on the date of this Agreement:

- (a) are held or stored in means which are under the exclusive ownership and control of that Group Company;
- (b) have at all times been properly and accurately kept and completed in all material respects, in accordance with all Official Requirements;
- (c) do not contain or reflect any material inaccuracies or discrepancies; and
- (d) contain copies of all material proceedings (or certified copies thereof) of the shareholders, the directors and all committees of directors of a Group Company, as the case may be, and there have been no other meetings, resolutions or proceedings of the shareholders, directors or any committees of the directors of a Group Company not reflected in such minute books and other records.

- 24.7 There no resolutions passed by the members of any Group Company in the period of five years ending on the date of this Agreement which ratifies, or purports to ratify, any conduct of a director of any Group Company amounting to negligence, default, breach of duty or breach of trust in relation to that Group Company.
- 24.8 The Disclosure Letter contains a complete and accurate list of all registered agents appointed in any jurisdiction where a Group Company is incorporated, registered or otherwise conducts business.
- 24.9 There are no restrictions upon or impediment to, the declaration or payment of dividends by the directors of a Group Company or the payment of dividends by a Group Company in the governance or formation documents of a Group Company or in any Material Contract.

25 COMPETITION MATTERS

- 25.1 No Group Company is, or has ever been, party to or concerned in any agreement, arrangement, understanding or concerted practice, or any other conduct or practice (unilateral or otherwise) which:
- (a) infringes the Competition Act 1998, the Enterprise Act 2002, UK Subsidy Control Law or UK Public Procurement Law;
 - (b) infringes Articles 101 and 102 of the Treaty on the Functioning of the European Union or any similar provisions of the ECSC, Euratom or EEA Treaties, or any other competition provision of those Treaties or enacted under them, including any rule relating to state aid, public procurement or anti-dumping;
 - (c) was required to be furnished to the Director General of Fair Trading under the Restrictive Trade Practices Act 1976;
 - (d) constitutes a breach of any relevant undertaking, order, assurance or other measure taken under the Fair Trading Act 1973, the Restrictive Trade Practices Act 1976, the Resale Prices Act 1976 or the Competition Act 1980; or
 - (e) infringes any competition, anti-trust, subsidy control, procurement, or equivalent legislation of any other national or supranational jurisdiction (including the European Union).
- 25.2 No Group Company is subject to any prohibition, order, condition, undertaking, assurance or other measure or obligation imposed by or under any of the laws referred to in paragraph 25.1.
- 25.3 No Group Company is, or has ever been, subject to any enquiry, investigation, request for information, notice or other communication (whether formal or informal, and whether or not in writing) by any Relevant Authority under any of the laws referred to in paragraph 25.1.
- 25.4 The Seller does not have any reason to believe that any such action as is mentioned in paragraphs 25.2 or 25.3 may be taken against any Group Company in relation to any of its activities.
- 25.5 Particulars of any agreements, practices, or arrangements to which any Group Company is a party which are notifiable to or registrable with any specified competent authority (including but not limited to the Competition and Markets Authority in the United Kingdom and the European Commission in the European Union have been correctly notified or registered).

26 IT SYSTEMS

- 26.1 The Disclosure Letter specifically discloses all the agreements which are material to the ability of any Group Company to use, support, maintain and/or develop all components of the IT

Systems (including all licences, development agreements, software/platform/infrastructure-as-a-service agreements, software maintenance and support agreements, hardware maintenance agreements, source code escrow agreements and disaster recovery agreements), and complete copies of such agreements have been provided to the Buyer.

- 26.2 Each Group Company is appropriately licensed to use all IT Systems necessary to enable the business and activities of the Group to function in the ordinary course and uses such IT Systems according to the terms of each such licence. No Group Company has breached any of its obligations under any of the agreements referred to in paragraph 26.1, those agreements all remain in full force and effect as at the date of this Agreement and no notice has been served by any person to terminate any of those agreements.
- 26.3 The use of the IT Systems by each Group Company does not infringe the Intellectual Property Rights of any third party.
- 26.4 Each Group Company has in its possession an up-to-date, useable and complete copy of the source code for all Developed Software (if any) together with copies of all programmer's commentaries and technical documentation required to allow the continuing maintenance and development of that software by the Buyer or any Group Company without reference to other sources of information.
- 26.5 The IT Systems have adequate functionality, capability and capacity for the present requirements of each Group Company and each part of the IT Systems is compatible with each other part.
- 26.6 The IT Systems have operated without material errors for the two years immediately prior to the date of this Agreement.
- 26.7 All agreements provided "as a service" relating to the IT Systems and all support and maintenance agreements relating to the IT Systems have been in full force and effect throughout their term and all renewals, charges and other fees have been paid in respect of each of them at the appropriate time and there are no fees outstanding within two months after Completion.
- 26.8 The IT Systems have been satisfactorily maintained in accordance with good industry practice and with the support and maintenance agreements referred to in paragraph 26.7 above, which are specifically disclosed in the Disclosure Letter and complete copies of which have been provided to the Buyer.
- 26.9 Each Group Company is using the most recent version of all Third Party Software.
- 26.10 Each Group Company has adequate copies of all user manuals, technical documentation and any other documentation required to operate, maintain and support the IT Systems and is fully licensed to use the same for those purposes.
- 26.11 Each Group Company has in place:
- (a) a fully documented disaster recovery plan which:
 - (i) in conjunction with any necessary agreements with third party service providers, would enable it to continue if there were significant damage to, or destruction of, some or all of its IT Systems; and
 - (ii) has been successfully tested in the twelve months prior to Completion;
 - (b) a monitoring programme which enables it to effectively detect, prioritise, and report security incidents on a continuous 24/7 basis; and

- (c) a data security breach and response plan which enables it to effectively mitigate any security incident, and the effects of any security incident on the Group,

and each such plan or programme complies with good industry practice, and has been Fairly Disclosed in the Disclosure Letter.

- 26.12 There have been no material unauthorised intrusions or breaches of the security of the IT Systems used in connection with a Group Company's operations and business.
- 26.13 Prudent and up-to-date procedures which reflect good industry practice and which ensure internal and external security of the IT Systems (including procedures for taking and storing on-site and off-site back-up copies of computer programs and data, for preventing introduction of viruses into the IT Systems and for the protection of security of data stored on the IT Systems) have been established by the Group, have been complied with in all material respects and, so far as the Seller is aware, have been effective for those purposes. Such procedures are regularly audited and measures tested with the last such audit or test being no more than two years prior to Completion.
- 26.14 There are and have been no claims, disputes or proceedings arising or threatened under any of the contracts related to the IT Systems.

27 DATA PROTECTION AND PRIVACY

27.1 Each Group Company:

- (a) has had in place, where and so long as this is or was required by the Data Protection Laws, a valid, complete and accurate register entry on the Information Commissioner's Office register of data controllers; and
- (b) has paid the appropriate notification fees due to the Information Commissioner's Office.

27.2 Each Group Company has complied in all respects with the Data Protection Laws as well as applicable data protection, consumer protection, and privacy laws in those jurisdictions where it conducts, or is deemed by operation of law in those jurisdictions to conduct, its business, and in particular:

- (a) has maintained an up-to-date and accurate record of Processing;
- (b) has not processed Personal Data without having a legal basis under Data Protection Laws to carry out such processing;
- (c) has (when acting as a controller) where required by the Data Protection Laws made available privacy notices to Data Subjects and maintained these (including notifying Data Subjects of changes);
- (d) has ensured (when acting as a controller) where relying on consent or explicit consent as grounds for Processing, that consent or explicit consent was freely given, specific and informed, given actively by the Data Subjects and can be verified by evidence held by the relevant Group Company or its Processors;
- (e) has (when acting as a controller) written contracts with all Processors which contain all of the mandatory clauses required by the Data Protection Laws;
- (f) has notified all breaches requiring notification to the Relevant Authority and/or Data Subjects or controller;
- (g) has provided training to all relevant employees as required by the Data Protection Laws;

- (h) has appointed a Data Protection Officer where required to do so by the Data Protection Laws or otherwise has appointed a person accountable for privacy-related issues;
 - (i) has collected all necessary consents before placing cookies, beacons or technologies of equivalent functionality on consumers' devices;
 - (j) has all necessary consents for direct marketing which meet the criteria for consent in the Data Protection Laws;
 - (k) has security measures and safeguards in place to protect Personal Data it collects from customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties; and
 - (l) has taken reasonable steps to protect Personal Data against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse.
- 27.3 No Group Company has received any notice or complaint (whether oral or in writing) alleging non-compliance with any one or more of the Data Protection Laws or any applicable data protection, consumer protection, and privacy laws in those jurisdictions where it conducts, or is deemed by operation of law in those jurisdictions to conduct, its business.
- 27.4 There are no outstanding complaints, legal actions, proceedings, assessments, investigations or other queries from any person including Data Subjects, any Relevant Authority or any other investigatory body in respect of Personal Data held or otherwise Processed by any Group Company.
- 27.5 No Group Company has within the five years prior to the date of this Agreement been fined (or issued with a monetary penalty notice) or had any enforcement action taken against it by any Relevant Authority.
- 27.6 There are no Data Subject requests to exercise any of the rights given to Data Subjects in the Data Protection Laws outstanding as at the date of this Agreement.
- 27.7 No Personal Data has been transferred outside of the European Economic Area other than in accordance with the Data Protection Laws.
- 27.8 No Personal Data will be retained after Completion by the Seller or any of its connected persons (other than the Group Companies).

28 ANTI-CORRUPTION MEASURES AND SANCTIONS

- 28.1 No Group Company is, nor has any of them at any time, engaged in any activity, practice or conduct which would constitute an offence under BA 2010 or under any applicable anti-bribery, anti-money laundering, or anti-corruption laws.
- 28.2 No Associated Person of any Group Company has bribed another person (contrary to section 7(3) BA 2010 or contrary to any applicable anti-bribery, anti-money laundering or anti-corruption laws in other jurisdictions) intending to obtain or retain business or an advantage in the conduct of business for any Group Company.
- 28.3 No Group Company, or as far as the Seller is aware, any employee, Associated Person, or agent of a Group Company, has made any direct or indirect unlawful contribution or other payment to any official of, or candidate for, any political office, or failed to disclose fully any contribution, in violation of any law, or made any payment to any governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable laws.

- 28.4 Each Group Company has in place adequate procedures (a) in line with the guidance published by the Secretary of State under section 9 BA 2010 and (b) consistent with internationally recognized best practices that are designed to prevent its Associated Persons from undertaking any such conduct as is referred to in paragraph 28.2 and those procedures are Fairly Disclosed in the Disclosure Letter.
- 28.5 No Group Company nor any of their Associated Persons is, or has ever been, the subject of any investigation, enquiry or enforcement proceedings by any Relevant Authority or any customer or supplier regarding any offence or alleged offence under BA 2010 or any equivalent anti-bribery or anti-corruption law in any other jurisdiction, no such investigation, enquiry or proceedings have been threatened or are pending and so far as the Seller is aware there are no facts or circumstances which may give rise to any such investigation, enquiry or proceedings.
- 28.6 No Group Company is, nor has any of them at any time, engaged in any Fraudulent Conduct or any activity, practice or conduct constituting fraud pursuant to any applicable laws in any other jurisdiction.
- 28.7 No Associated Person of any Group Company has engaged in any Fraudulent Conduct or any activity, practice or conduct constituting fraud pursuant to any applicable laws in any other jurisdiction intending to benefit (whether directly or indirectly) a Group Company or any person to whom (or to whose subsidiary undertaking) the Associated Person provides services on behalf of any Group Company.
- 28.8 Each Group Company has in place adequate procedures in line with the guidance published by the Secretary of State under section 204 ECCTA 2023 and consistent with internationally recognized best practices designed to prevent its Associated Persons from undertaking any Fraudulent Conduct or any activity, practice or conduct constituting fraud pursuant to any applicable laws in any other jurisdiction and those procedures are Fairly Disclosed in the Disclosure Letter.
- 28.9 No Group Company nor any of their Associated Persons is, or has ever been, the subject of any investigation, enquiry or enforcement proceedings by any Relevant Authority or any customer or supplier which relates to Fraudulent Conduct, alleged Fraudulent Conduct, or any activity, practice or conduct or alleged activity, practice or conduct constituting fraud pursuant to any applicable laws in any other jurisdiction, and no such investigation, enquiry or proceedings have been threatened or are pending and so far as the Seller is aware there are no facts or circumstances which may give rise to any such investigation, enquiry or proceedings.
- 28.10 Each Group Company has conducted, and is conducting, its business in compliance with all Sanctions. Details of the procedures each Group Company has in place designed to promote compliance with such laws are Fairly Disclosed in the Disclosure Letter.
- 28.11 Neither any Group Company nor, so far as the Seller is aware, any of their Associated Persons:
- (a) is currently subject to any Sanctions;
 - (b) is located, organised or resident in a country or territory that is the target of comprehensive territory-wide Sanctions; or
 - (c) is engaged (either directly or indirectly) in any dealings or transactions with any person, entity, assets or project targeted by, or located in any country or territory that is the target of, Sanctions.

29 MODERN SLAVERY

- 29.1 The Group has, at all times, conducted its business in accordance with Modern Slavery Laws. In relation to the Group, its assets, business and/or supply chains (whether by or in respect of the Group's officers, employees, agents or otherwise) there is no and has never been any of

the following in respect of Modern Slavery Laws, in each case whether in the United Kingdom or elsewhere:

- (a) breach, violation or default;
- (b) order, decree or judgement of any court or any Relevant Authority; or
- (c) enquiry, investigation, reference, notification, proceeding, report or decision.

29.2 The Group has within the 12 months prior, conducted reasonable due diligence on its operations and suppliers to assess whether there is any risk that it is causing or contributing to Modern Slavery within its supply chains.

29.3 The Group has, where it has identified any one or more risks that it may be causing or contributing to Modern Slavery within its supply chains, taken reasonable actions to address such risks.

30 EFFECT OF THIS AGREEMENT

30.1 The execution and delivery of, and compliance with the terms of, this Agreement and the transactions contemplated by this Agreement does not and will not:

- (a) conflict with or result in a breach of or constitute a default under any of the terms, conditions or provisions of any:
 - (i) Material Contract, instrument, licence, permission or consent to which any Group Company or the Seller is a party or which affects the Sale Shares;
 - (ii) provision of the Articles of Association (or equivalent) of any Group Company or the Seller;
 - (iii) order, judgment, writ, award, injunction, or decree of any Relevant Authority; or
 - (iv) applicable law;
- (b) result in the creation or imposition of any Encumbrance on the Sale Shares or any property or asset of a Group Company;
- (c) relieve any person from any obligation to any Group Company (whether contractual or otherwise) or enable any person to determine any such obligation or any right or benefit enjoyed by any Group Company or to exercise any right whether under an agreement with or otherwise in respect of any Group Company;
- (d) constitute an event that would permit any party to a Material Contract to which any Group Company or the Seller is a party to amend, terminate, sue for damages with respect to that Material Contract, or to accelerate the maturity of any indebtedness of a Group Company;
- (e) result in the creation, imposition, crystallisation or enforcement of:
 - (i) any Encumbrance on any of the Sale Shares or on any property or asset of any Group Company; or
 - (ii) any contractual or tortious obligation or liability on the part of any Group Company including any relating to the payment of any commission or finder's fee or similar payment; or

(f) result in any present or future indebtedness of any Group Company becoming due or capable of being declared due and payable prior to its stated maturity.

30.2 Neither the Seller nor the Company has retained any financial advisor, broker, agent or finder, or entered into any agreement entitling any person to any broker's commission, finder's fee or similar payment, relating to this Agreement or the transactions contemplated by this Agreement.

SCHEDULE 4

PROVISIONS FOR THE PROTECTION OF THE SELLER

1 GENERAL

- 1.1 This schedule limits the liability of the Seller in relation to any claim by the Buyer in respect of a Relevant Breach and, to the extent expressly stated herein, any claim under the Tax Covenant. For the avoidance of doubt, the provisions of this Schedule 4 shall not apply to the covenants in clause 3.2.
- 1.2 Nothing in this schedule applies to a claim by the Buyer in respect of a Relevant Breach or a claim under the Tax Covenant that arises or is delayed as a result of fraud or fraudulent misrepresentation by the Seller.

2 W&I POLICY

- 2.1 The Buyer agrees and acknowledges that:
- (a) save in the event of fraud or fraudulent misrepresentation on the part of the Seller, its sole remedy and right of recovery in excess of the £1.00 (one pound) cap at paragraph 3.1 for a Relevant Breach or any claim under the Tax Covenant shall be under the W&I Policy; and
 - (b) the £1.00 (one pound) cap on the Seller's liability contained in paragraph 3.1 shall apply notwithstanding any subsequent non-payment under the W&I Policy or any vitiation or exclusion or expiry or termination of the W&I Policy or insolvency of the W&I Insurer or for any other reason whatsoever other than due to fraud or fraudulent misrepresentation by the Seller.
- 2.2 Nothing in this Agreement shall require the Buyer to take any action, or omit to take any action, which:
- (a) would, in the reasonable opinion of the Buyer, void or invalidate the W&I Policy;
 - (b) is prohibited under the terms of the W&I Policy;
 - (c) could limit the Buyer's ability to make a recovery under the W&I Policy; or
 - (d) conflicts with any instructions of the W&I Insurer given pursuant to the terms of the W&I Policy or in connection with any claim under the W&I Policy.

3 FINANCIAL LIMITS

- 3.1 Notwithstanding any other provision of this Agreement, the aggregate liability of the Seller for all claims in respect of Relevant Breaches and all claims under the Tax Covenant when taken together shall not exceed £1.00.
- 3.2 Subject always to paragraph 3.1, the Seller shall not be liable for:
- (a) any claim in respect of a Relevant Breach (other than a Relevant Breach in respect of a Fundamental Warranty) which does not exceed CAD \$185,000 (a "**De Minimis Claim**"); and
 - (b) any claim in respect of a Relevant Breach (other than a Relevant Breach in respect of a Fundamental Warranty) which is not a De Minimis Claim unless the aggregate amount of such claim, when taken together with the amount of all other claims in respect of Relevant Breaches which are not De Minimis Claims, exceeds CAD \$1,537,500.

4 TIME LIMITS

- 4.1 The Seller is not liable for a claim in respect of a Relevant Breach or a claim under the Tax Covenant unless the Buyer has given the Seller notice in writing of the claim or the claim under the Tax Covenant, summarising the nature of the claim or claim under the Tax Covenant and an estimate of the amount claimed (in each case so far as it is then actually known to the Buyer and as far as is reasonably practicable):
- (a) in the case of a claim made under the Fundamental Warranties, Tax Warranties and/or the Tax Covenant, within the period of seven years beginning with the Completion Date; and
 - (b) in any other case, within the period of three years beginning with the Completion Date.
- 4.2 The Seller shall not plead the Limitation Act 1980 in respect of any claims made under the Fundamental Warranties, the Tax Warranties or the Tax Covenant up to seven years after the Completion Date.

5 GENERAL LIMITATIONS

- 5.1 The Seller shall not be liable more than once in respect of any loss, damage or liability, whether by reason of a claim in respect of a Relevant Breach and/or a claim under the Tax Covenant being made or otherwise, and any amount paid under the Warranties and/or the Tax Covenant shall reduce the amount otherwise payable under the other Warranties and/or the Tax Covenant (as applicable) in respect of the same matter by that amount and vice versa.
- 5.2 No claim in respect of a Relevant Breach (other than a breach which relates to a Tax Warranty which, for the avoidance of doubt, shall be subject to the provisions of paragraph 3 of the Tax Covenant) shall be made by the Buyer against the Seller and the Seller shall have no liability to the Buyer for any claim arising out of a Relevant Breach (other than a breach which relates to a Tax Warranty which, for the avoidance of doubt, shall be subject to the provisions of paragraph 3 of the Tax Covenant) in respect of any matter or liability if and only to the extent that:
- (a) the liability is contingent, future or unascertainable unless and until such liability ceases to be contingent, future or unascertainable;
 - (b) specific provision or reserve was made, or which was included in the Completion Accounts, the Management Accounts, the IFRS Accounts or the IFRS Management Accounts but only to the extent of such provision or reserve;
 - (c) it arises, or its value increases, solely as a result of:
 - (i) any voluntary act, direction or omission of the Buyer after Completion; or
 - (ii) a change in any law, legislation, rule or regulation (including any new law, legislation, rule or regulation) that comes into force or otherwise takes effect after the date of this Agreement; or
 - (d) it arises 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 Group introduced or having effect after Completion (other than to the extent such changes are necessary to comply with applicable law or generally accepted accounting principles in force at or prior to Completion).

6 OTHER

- 6.1 The Buyer agrees that rescission or termination shall not be available as a remedy for any claim pursuant to this Agreement and the Buyer shall not be entitled to rescind or terminate this Agreement at any time following Completion.
- 6.2 Nothing in this Schedule 4 will in any way restrict the Buyer's common law duty to take reasonable steps to mitigate its loss.

SCHEDULE 5

COMPLETION PROVISIONS

Part 1

COMPLETION OBLIGATIONS

1 SELLER'S OBLIGATIONS

1.1 On Completion, in accordance with clause 6, the Seller shall:

- (a) deliver to the Buyer (to the extent not previously delivered or provided):
 - (i) a transfer in respect of the Sale Shares duly executed and completed in favour of the Buyer or as the Buyer may direct;
 - (ii) minutes recording the resolution of the Board of Directors of the Seller authorising the sale of the Sale Shares and the execution of the transfers in respect of them;
 - (iii) all share certificates in respect of the Sale Shares (or an indemnity in the Agreed Form in respect of any missing share certificate);
 - (iv) the corporate resolutions of the Company authorizing the transfer of the Sale Shares;
 - (v) a certificate of a senior officer of each Group Company, certifying the formation and governance documents and the statutory registers required under CA 2006 (or equivalent in any jurisdiction) of such Group Company and certifying certain matters in connection with the debt financing, and for the Company, also certifying the corporate resolutions authorizing the transfer of the Sale Shares;
 - (vi) a certificate of a senior officer of the Seller, certifying the formation and governance documents of the Seller and the corporate resolutions authorizing the execution, delivery, and performance of this Agreement and completion of the transactions contemplated by this Agreement;
 - (vii) a certificate of good standing (or equivalent) of the Seller and of each Group Company;
 - (viii) (as agents for each Group Company) the register of members, and any other registers and minute books maintained by each Group Company (written up to date) and its Common Seal (if any), Certificate of Incorporation, any Certificate of Incorporation on Change of Name and all available copies of its Articles of Association, including Companies House Webfiling authentication codes (in each case, or overseas equivalents);
 - (ix) all share certificates in respect of the shares in the capital of the Subsidiaries (or an indemnity in the Agreed Form in respect of any missing share certificate);
 - (x) to the extent there are any changes in the Key Officers in the Interim Period, duly completed personal information forms from any new Key Officer as required by the TSX;
 - (xi) to the extent not in the possession of the relevant Group Company at the Properties, the deeds and documents of title to the Properties;

- (xii) to the extent not in the possession of the relevant Group Company at the Properties, all the financial and accounting books and records (including but not limited to all books, ledgers, files, lists, reports, plans, logs, deeds, surveys, correspondence, operating records, Tax returns, and other data and information, including all data and information stored on computer-related or other electronic media, of and related to the relevant Group Company or the business) of each Group Company together with all cheque books and paying in books for its bank accounts;
 - (xiii) to the extent not in the possession of the relevant Group Company at the Properties, all the assets of each Group Company (including all company credit cards held by persons resigning on Completion or otherwise ceasing to be employed or engaged by any Group Company after Completion) together with all documents evidencing its title to each of its assets (including vehicle registration documents relating to its motor vehicles (if any));
 - (xiv) evidence that the Group has in place a "run-off" directors' and officers' liability insurance policy;
 - (xv) the IP Assignment duly executed;
 - (xvi) the Restrictive Covenant Agreement duly executed by the Company and each Beneficial Owner;
 - (xvii) an executed Further Disclosure Letter;
 - (xviii) executed resignations effective at Completion of each director, officer, and Secretary of each Group Company other than Chelsea Technologies Ltd, Sonardyne Asia PTE Ltd, Forcys Australia Pty Ltd and EIVA SGP Pte Ltd;
 - (xix) an executed Lock-Up Agreement from the Seller;
 - (xx) an executed Landlord Consent by the parties; and
 - (xxi) evidence that the Indemnity Policies have been placed on risk by the relevant Group Company; and
 - (xxii) evidence of repayment and cancellation of all intragroup debt in the Group pursuant to executed Pre-Completion Intragroup Documents;
- (b) cause all stock transfers executed in accordance with paragraph 1.1(a) above to be resolved to be registered (subject only to their being duly stamped) notwithstanding any provision to the contrary in the Articles of Association of the relevant Group Company;
 - (c) cause the persons named in Part 2 of this Schedule 5 to be validly appointed as additional directors or secretaries (as applicable) of each Group Company;
 - (d) on those appointments being made, cause the persons named in paragraph (a)(xvii) of Part 1 of this Schedule 5 to cease to be directors, officers and (if applicable) secretaries of each Group Company and procure all such persons to deliver to the Buyer a Resignation Letter (in each case, as updated to reflect any specific changes required to comply with local laws in the relevant jurisdiction) in respect of their respective offices.

2 BUYER'S OBLIGATIONS

- 2.1 The Buyer shall on Completion duly execute and deliver to the Seller those of the Agreed Documents requiring to be executed and delivered by the Buyer.

Part 2

ADDITIONAL OFFICERS

[Redacted – Personal Information]

SCHEDULE 6

THE PROPERTIES

Part 1

FREEHOLD PROPERTIES

Description	Proprietor	Title No. or root of title	Occupier(s)	Present Use
[Redacted – Commercially Sensitive Information]	Sonardyne International Limited	[Redacted – Commercially Sensitive Information]	Sonardyne International Limited Covelya Group Limited and Wavefront Systems Limited have the right to use the premises in order to carry out their operations	Offices within Use Class E(c) of the Town and Country Planning (Use Classes) Order 1987 (as it applied in England at the date this Lease was granted)
[Redacted – Commercially Sensitive Information]	Sonardyne International Limited	[Redacted – Commercially Sensitive Information]	Sonardyne International Limited Covelya Group Limited and Wavefront Systems Limited have the right to use the premises in order to carry out their operations	Offices, warehouses and concrete loading yard
[Redacted – Commercially Sensitive Information]	Sonardyne International Limited	[Redacted – Commercially Sensitive Information]	Sonardyne International Limited	Industrial, office and residential
[Redacted – Commercially Sensitive Information]	Sonardyne International Limited	[Redacted – Commercially Sensitive Information]	Sonardyne International Limited	Residential

		Sensitive Information]		
[Redacted – Commercially Sensitive Information]	Municipality of Rio Das Ostras	[Redacted Commercially Sensitive Information]	– Sonardyne Brasil Ltda	Offices and industrial
[Redacted – Commercially Sensitive Information]	PropCov Limited	[Redacted Commercially Sensitive Information]	– Chelsea Technologies Limited Forcys Limited Wavefront Systems Limited	General Industrial Use Class B2 – offices and warehouse

Part 2

LEASEHOLD PROPERTIES

[Redacted – Commercially Sensitive Information]

SCHEDULE 7

TAX

Part 1

TAX COVENANT

1 DEFINITIONS AND INTERPRETATION

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

Accounts Relief	any Relief where the availability of the Relief has been (i) shown or taken into account as an asset in the Completion Accounts or (ii) taken into account in computing (and so reducing) any provision for deferred tax which appears in the Completion Accounts or has resulted in no provision for deferred tax being shown in the Completion Accounts;
Assessment	any notice, demand, assessment, self-assessment, letter or other document issued, or action taken, by or on behalf of any Tax Authority or any other person including any Group Company (whether before, on or after the date of this Agreement) from which it appears that a Tax liability (including any Tax Liability) has been, is to be or may come to be imposed on any person or that any person is liable or is sought to be made liable to make any payment or increased or further payment of or in respect of the Tax liability or is denied or is sought to be denied any Relief (in whole or in part), in each case for which the Buyer has or may have a claim under the Tax Covenant or for breach of the Tax Warranties;
Buyer's Relief	(a) an Accounts Relief; (b) any Relief of the Buyer and/or any member of the Buyer's Tax Group; and (c) any Relief of a Group Company which arises as a result of any Event occurring after Completion or in respect of any period commencing after Completion;
Buyer's Tax Group	the Buyer and any other body corporate (other than a Group Company) treated at any time as a member of the same group of companies as the Buyer for any Tax purpose;
CFA 2017	the Criminal Finance Act 2017;
CTA 2009	the Corporation Tax Act 2009;
Event	any event, circumstance, act, transaction, action or omission (whether or not a Group Company is a party thereto) including the disposal of the Sale Shares pursuant to this Agreement, any change in the residence of any person for the purposes of Tax, the death or dissolution of any person, the receipt or accrual of any income profits or gains, any distribution, any transfer payment, loan or advance, and any event which is deemed to

have occurred or is treated or regarded as having occurred for the purposes of Tax Legislation;

Group Relief

means any of the following:

- (a) group relief capable of being surrendered or claimed pursuant to Part 5 of CTA 2010 in the United Kingdom and any other equivalent provision in a jurisdiction outside the United Kingdom;
- (b) amounts eligible for surrender under the Double Taxation Relief (Surrender of Relievable Tax Within a Group) Regulations 2001 in the United Kingdom and any other equivalent provision in a jurisdiction outside the United Kingdom;
- (c) a tax refund capable of being surrendered or claimed under section 963 CTA 2010 in the United Kingdom and any other equivalent provision in a jurisdiction outside the United Kingdom; and
- (d) any other Relief eligible for surrender or capable of being claimed or surrendered between members of a group for Tax purposes in accordance with any Tax Legislation, whether in the United Kingdom or in any other jurisdiction (including any balancing payment as referred to in Chapter 6 Part 4 TIOPA 2010 in the United Kingdom);

income profits or gains

income profits or gains (including capital gains) of any description earned, accrued or received from any source, and income profits or gains which are deemed to be earned, accrued or received for any Tax purpose;

ITEPA 2003

the Income Tax (Earnings and Pensions) Act 2003;

Loss

in relation to an Accounts Relief, the reduction, modification, claw-back, counter-action, disallowance, failure to obtain that Accounts Relief, in each case other than by use or setting off (except to the extent such use or set off occurred prior to Completion) or the effluxion of time and "**lost**" shall be construed accordingly;

Relevant Person

- (a) the Seller;
- (b) any company which before Completion was a member of the same group of companies as a Group Company for any Tax purpose ("**Seller Group Company**"); or
- (c) any person with whom, before Completion a Group Company or, at any time, the Seller or any Seller Group Company, was or is connected for any Tax purpose,

but (in each case) excluding a Group Company and the Buyer and any member of the Buyer's Tax Group;

Relief

any loss, relief, allowance, exemption, set-off, deduction, credit, right to repayment or other relief available in relation to Tax or

	to the computation of income profits or gains for the purposes of Tax;
set off	if and to the extent that such Accounts Relief and/or any other Relief is, by reason of its set off realisation or use, reduced or extinguished;
Stamp Tax	stamp duty, Stamp Duty Reserve Tax, Stamp Duty Land Tax, Land and Buildings Transaction Tax (in Scotland), the Land Transaction Tax (in Wales) and any equivalent tax or duty in the United Kingdom or any other jurisdiction;
Tax	<p>(a) all forms of taxes, duties, charges, contributions, withholdings, imposts and levies in the nature of taxes whenever created or imposed and whether of the United Kingdom or elsewhere including corporation tax, income tax, any tax or amount equivalent to tax required to be deducted or withheld from or accounted for in respect of any payment, capital gains tax, inheritance or gift tax, value added tax, landfill tax, Stamp Tax, business rates, customs & excise duties, national insurance, apprenticeship levy, social security or similar contributions, and any other taxes, duties, charges, contributions, withholdings, imposts or levies similar to or corresponding with or replaced by any of the foregoing; and</p> <p>(b) all penalties fines charges surcharges and interest in relation to any item within paragraph (a) or to any return or information required to be provided or any compliance process or obligation required to be met, for the purposes of or in relation to any such item,</p> <p>in each case whether or not such liability is also or alternatively a liability of, or chargeable against or attributable to, any other person and whether or not a Group Company shall or may have a right of recovery or reimbursement against any other person;</p>
Tax Authority	any government, state or municipality or any local, provincial, state, federal or other authority, body or official, whether within or outside the United Kingdom, responsible for the assessment, collection or administration of Tax, including HMRC;
Tax Legislation	any statute, enactment, law, directive, order or regulation providing for or relating to the imposition, assessment, or collection of Tax;
Tax Liability	<p>(a) a liability of a Group Company to make an actual payment of, or in respect of, Tax (in which case the amount of the Tax Liability will be the amount of the actual payment);</p> <p>(b) the Loss of any Accounts Relief (in which case, the amount of the Tax Liability will be the amount of Tax that would (on the basis of Tax rates current at the date of that Loss) have been saved but for such Loss, assuming for this purpose that the relevant Group Company had sufficient profits or was otherwise in a position to use the Accounts Relief, or, where the Accounts Relief is the right to repayment of Tax,</p>

or to a payment in respect of Tax, the amount of the repayment or payment); and

- (c) the use or setting off of any Buyer's Relief against a liability to Tax or against income, profits or gains for Tax purposes where, but for that set off or use, the relevant Group Company would have had a liability to make a payment of or in respect of Tax for which the Buyer would have been able to make a claim against the Seller under the Tax Covenant (in which case, the amount of the Tax Liability will be the amount of Tax for which the Seller would have been liable but for the set off or use);

TCGA 1992

the Taxation of Chargeable Gains Act 1992; and

TIOPA 2010

the Taxation (International and Other Provisions) Act 2010.

1.2 It shall be assumed for all of the purposes of this Schedule (and in particular for calculating any Tax Liability or any Relief) that the date of Completion is the end of an accounting period for Tax purposes (including for the purposes of Part 2, Chapter 2, CTA 2009 (accounting periods) in the United Kingdom) and all such adjustments and apportionments as may be required consequent on such assumption shall be made in assessing any liability or in making any calculation required under this Schedule.

1.3 Where any provision in this Schedule conflicts either in whole, or in part, with any other provision in this Agreement, the provision in this Schedule shall prevail.

2 THE SELLER'S COVENANT

2.1 Subject to paragraph 3, the Seller hereby covenants with the Buyer to pay to the Buyer an amount equal to:

- (a) any Tax Liability of a Group Company:
 - (i) arising as a consequence of or by reference to one or more Events which occurred on or before Completion; or
 - (ii) arising in respect of or by reference to any income profits or gains which were earned accrued or received on or before or in respect of a period or part-period ended on or before Completion; or
 - (iii) which would not have arisen but for the failure of a Relevant Person at any time to satisfy or discharge all or part of a Tax Liability which primarily falls upon such Relevant Person; or
 - (iv) arising or assessed under Part 7A ITEPA 2003 in respect of any relevant step (as defined in Part 7A ITEPA 2003) taken by any person other than a Group Company pursuant to any arrangement entered into prior to Completion other than a relevant step taken at the direction of the Buyer (or another member of the Buyer's Tax Group); or
 - (v) arising or assessed in respect of or by reference to the payment or satisfaction of any part of the Purchase Price (other than any liability to stamp duty in relation to the transfer of the Sale Shares in accordance with this Agreement); or
 - (vi) arising as a result of that Group Company having an Allocated Disallowance attributed to it in any Interest Restriction Return submitted by the Reporting Company of a Worldwide Group where such Reporting Company is under the

control of the Seller or any Seller Group Company at the time when such Interest Restriction Return is submitted (with "**Allocated Disallowance**", "**Interest Restriction Return**", "**Reporting Company**", and "**Worldwide Group**" each have their respective meanings set out in Part 10 TIOPA 2010); or

- (vii) which is income tax or national insurance or other social security contributions (and any relevant interest and penalties in respect of such) arising or assessed as a consequence of a Relevant Person making a payment after Completion to any person where such payment constitutes or is treated for Tax purposes as being income from employment with any Group Company; or
 - (viii) which are Employer Bonus Liabilities arising as a result of the payment of the Transaction Bonuses; or
 - (ix) arising as a result of the failure after Completion by any employee to make good to a Group Company any income tax for which such Group Company is required to account in respect of any notional payment (as defined in section 222 of ITEPA 2003) and arising in respect of any Event occurring on or before Completion or in respect of any Event referred to in paragraphs 2.1(a)(iv), 2.1(a)(v), 2.1(a)(vii) or 2.1(a)(viii);
- (b) any Tax Liability resulting from or by reference to limb (b) or (c) of the definition of Tax Liability;
- (c) any liability of a Group Company to:
- (i) make a payment or repayment in respect of Group Relief; or
 - (ii) make a payment of or in respect of Tax under any indemnity, warranty, or covenant (in the case of a covenant, provided such covenant was entered into outside the ordinary course of business),
- in each case pursuant to an agreement, arrangement or claim made or entered into on or before Completion other than with another Group Company;
- (d) any Tax Liability of a Group Company in respect of inheritance tax which:
- (i) is at or becomes after Completion, as a result of the death of any person within seven years after a transfer of value (or deemed transfer of value) on or before Completion, a charge on any of the shares or assets of a Group Company or gives rise to a power to sell mortgage or charge any of the shares or assets of that Group Company; or
 - (ii) arises as a result of a transfer of value occurring or being deemed to occur on or before Completion (whether or not in conjunction with the death of any person whenever occurring) which increased or decreased the value of the estate of that Group Company;
- (e) any reasonable costs and expenses properly incurred by the Buyer and/or a member of the Buyer's Tax Group and/or a Group Company in connection with:
- (i) any liability or amount which is the subject of a successful claim by the Buyer under any of paragraphs 2.1(a) to 2.1(d) inclusive, including such costs and expenses of investigating, assessing or contesting any Assessment in respect thereof; or
 - (ii) any successful claim by the Buyer under this Schedule.

- 2.2 In determining for the purposes of this Schedule whether a charge on or power to sell mortgage or charge any of the shares or assets of a Group Company exists at any time the fact that any Tax is not yet payable or may be paid by instalments shall be disregarded and such Tax shall be treated as becoming due and the charge or power to sell mortgage or charge as arising on the date of the transfer of value or other Event on or in respect of which it becomes payable or arises.

3 RESTRICTION OF SELLER'S LIABILITY

- 3.1 The covenants contained in paragraph 2 shall not extend to any Tax Liability (or other liability) and the Seller shall have no liability under paragraph 2 or for a breach of any Tax Warranty to the extent that:

- (a) such liability was paid or discharged on or before Completion and such payment or discharge was reflected in the Completion Accounts;
- (b) an identifiable provision or reserve in respect of that liability was made in the Completion Accounts;
- (c) such liability arises or is increased as a result of:
 - (i) any change in Tax Legislation or any other change in law;
 - (ii) any change in the published practice of a Tax Authority; or
 - (iii) any increase in rates of Tax,(in each case) announced after Completion (including any such change which has retrospective effect);
- (d) such liability arises as a consequence of any voluntary act or omission or transaction carried out after Completion by the Buyer, a member of the Buyer's Tax Group or a Group Company which the Buyer knew or ought reasonably to have been aware would give rise to the liability in question, provided that this paragraph 3.1(d) shall not apply to any act or transaction:
 - (i) which is required by law or carried out or effected by a Group Company pursuant to a legally binding commitment created or entered into before Completion; or
 - (ii) which consists of communicating information to any Tax Authority; or
 - (iii) which is carried out or effected by a Group Company in the ordinary course of its business as carried on by the Group Company immediately prior to Completion;
- (e) such liability arises or is increased as a result of any change after Completion in:
 - (i) the accounting practice or principles or any change in the bases on which the accounts of the relevant Group Company are prepared except, in either case, in order to comply with generally accepted accounting principles to the extent applicable to the relevant Group Company immediately prior to Completion; or
 - (ii) the date to which the relevant Group Company makes up its accounts;
- (f) there is available to a Group Company to relieve or mitigate the liability in question any Relief which is not a Buyer's Relief, or such Relief would have been available but for utilisation by a Group Company or member of the Buyer's Tax Group after Completion

against any liability for which the Buyer would not be entitled to bring a claim under the Tax Covenant or for breach of the Tax Warranties (ignoring for these purposes the provisions of Schedule 4);

- (g) the income profits or gains in respect of which the liability arises were actual income, profits or gains received by a Group Company but were not reflected in the Completion Accounts, provided that such income, profits or gains are retained by a Group Company in cash at Completion or have been expended in the ordinary course of business of a Group Company prior to Completion or have been received by a Group Company after Completion;
- (h) the liability would not have arisen or been increased but for a Group Company joining the Buyer's Tax Group save that this sub-paragraph (h) shall not apply to any liability of a Group Company arising directly as a result of a Group Company ceasing on Completion to be a member of a group of companies with any other company;
- (i) the liability would not have arisen or been increased but for a cessation of trade or a change in the nature or conduct of a trade carried on by a Group Company in either case occurring after Completion; or
- (j) the Buyer or a Group Company has otherwise been compensated in respect of the liability at no cost to the Buyer or Group Company (as applicable).

4 TAX ON PAYMENTS AND VAT

- 4.1 Save only as may be required by law or otherwise expressly agreed in this Agreement, all sums payable under this Agreement shall be paid free and clear of all deductions or withholdings whatsoever.
- 4.2 If any deductions or withholdings for or on account of Tax are required by law to be made from any payment under this Agreement, other than in the case of any payment of the Purchase Price or any payment of interest, the payor shall pay such additional sum as will, after the required deduction or withholding has been made, leave the payee with the same amount as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding.
- 4.3 If any sum payable under this Agreement (including any sum payable under this paragraph 4, but not including any payment of the Purchase Price or any payment of interest) is (or but for the availability of any Relief in the case of the Seller or Buyer's Relief in the case of the Buyer would be) subject to a Tax liability in the hands of the payee the payor shall pay to the payee such additional sum as would have been required so that, after giving credit for any Relief arising to the payee (or a person connected to the payee) in respect of the matter giving rise to the payment, the payee is left with the same amount as it would have been entitled to receive in the absence of any such liability to Tax.
- 4.4 A payor shall not be liable under either paragraphs 4.2 or 4.3, to the extent that (i) the deduction, withholding or Tax liability in question would not have arisen but for the payee not being tax resident in its jurisdiction of incorporation or receiving such payment through a permanent establishment outside in its jurisdiction of incorporation; (ii) the deduction, withholding or Tax liability in question would not have arisen but for an assignment by the payee of its rights under this Agreement; or (iii) such Tax liability, deduction or withholding has otherwise been taken into account in calculating a payment under this Agreement.
- 4.5 If any sum is payable under this Agreement under any claim in respect of costs and expenses incurred by a party, such sum shall only include any amount in respect of VAT incurred by that person in respect of such costs and expenses which is not otherwise recoverable by that person or the representative member of any VAT group of which the person is a member.

5 DATE FOR PAYMENT

- 5.1 Where the Seller becomes liable to make a payment pursuant to the provisions of this Schedule, the due date for the making of that payment in cleared funds shall be the date falling five Business Days after the date on which the relevant Group Company or (as the case may be) the Buyer has notified the Seller of the amount of the payment required to be made or, in the cases mentioned below, if later:
- (a) in the case of a liability within paragraph 2.1(a), the fifth Business Day prior to the last date on which the payment of Tax in question should be paid to the relevant Tax Authority in order to avoid incurring a liability to interest or a charge fine or penalty in respect of that Tax Liability; or
 - (b) in the case of the Loss of a right to repayment of Tax, the date on which such repayment would have been received but for the Loss; or
 - (c) in a case of the Loss of a Relief (other than a right to repayment of Tax), the fifth Business Day prior to the last date on which the payment of Tax which is payable as a result of such Loss of Relief should be paid to the relevant Tax Authority in order to avoid incurring a liability to interest or a charge fine or penalty;
 - (d) in the case of the set-off of a Relief (other than a right to repayment of Tax) the last date on which the Tax Liability which (but for the set-off) would have been payable could have been paid to the relevant Tax Authority in order to avoid incurring a liability to interest or a charge fine or penalty in respect of that Tax Liability; or
 - (e) in the case of any other liability, the fifth Business Day prior to the date on which the payment or repayment becomes due and payable.
- 5.2 The provisions of section 213 Inheritance Tax Act 1984 shall not apply to any payments falling to be made under this Schedule.

6 VAT GROUP

- 6.1 In respect of the VAT group of which Sonardyne International Limited is the representative member (the "**VAT Group**"), to the extent that the Seller has not been removed from the VAT Group before Completion, the Buyer shall as soon as reasonably practicable following Completion, and no later than 30 days following Completion, procure that Sonardyne International Limited makes an application to HMRC under section 43B of VATA 1994 for the exclusion of the Seller from the VAT Group with effective from Completion or the earliest date permitted by law following Completion.
- 6.2 The party removing the Seller from the VAT Group will inform the other of the date notified as the date on which the Seller will cease to be a member of the VAT Group (the "**Relevant Date**").
- 6.3 The Seller will provide the Buyer and Sonardyne International Limited with such documents, information and assistance as they may reasonably require to enable Sonardyne International Limited to comply with its obligations relating to the removal of the Seller from the VAT Group.
- 6.4 Save where a payment reflecting the relevant VAT was made to HMRC on or prior to Completion or was taken into account in the Completion Accounts the Seller shall pay to Sonardyne International Limited an amount equal to any VAT for which Sonardyne International Limited in its capacity as the representative member of the VAT Group is accountable to HMRC and which is properly attributable to supplies, acquisitions and importations ("**Supplies**") made on or before the Relevant Date by the Seller (less any amount of deductible input tax attributable to such Supplies), such payment to be made no later than five Business Days prior to the date on which the relevant VAT become due to HMRC.

- 6.5 The Buyer shall pay, or shall procure that there is paid to the Seller an amount equivalent to such proportion of any repayment of VAT received by the representative member of the VAT Group from HMRC or of any credit obtained by reference to an excess of deductible input tax in respect of Supplies made or deemed to be made to the Seller over output tax that is properly attributable to the Supplies made or deemed to be made by the Seller in each case whilst a member of the VAT Group to the extent that any amount in respect of such repayment or credit had not been paid by the representative member of the VAT Group on or prior to Completion or to the extent that such repayment or credit was not taken into account in the Completion Accounts.

Part 2

TAX WARRANTIES

1 RETURNS NOTICES AND RECORDS

- 1.1 In the last six years, all accounts, computations, registrations, notices, assessments, returns and other information required to be given or submitted by any Group Company to any Tax Authority have been so given or submitted within all relevant time limits, and in each case were when made and remain complete, accurate and not misleading in all materials respects.
- 1.2 No Group Company is, nor in the period of six years ended on the date of this Agreement has any Group Company been, in dispute with or subject to any non-routine visit, audit, enquiry or investigation by any Tax Authority and so far as the Seller is aware, there are no facts or circumstances likely to give rise to or be the subject of any such dispute, visit, audit, enquiry or investigation.
- 1.3 For the last six years, each Group Company has kept and retained in its possession such complete and accurate records relating to its Tax affairs as it is required to keep and retain for Tax purposes.
- 1.4 No Group Company which is tax resident or otherwise operates in the United Kingdom is required to register as a contractor under the construction industry scheme pursuant to the provisions of section 59 Finance Act 2004 and the expenditure incurred or expected to be incurred by each Group Company on construction, refurbishment and fitting-out works in the 12 month period ending on Completion is less than £3 million.

2 PAYMENT OF TAX

- 2.1 In the last six years, each Group Company has duly and within requisite time periods paid all Tax to the extent that the same ought to have been paid and has not in the last six years paid or become liable to pay any material surcharge penalty or interest charged by virtue of the provisions of any Tax Legislation.
- 2.2 Any Group Company which is required to make quarterly payments of corporation tax on account has duly complied with its obligations in respect of such in the last six years.
- 2.3 No Group Company is nor has in the last six years been party to any group tax payment arrangements or a member of a fiscal unity for Tax purposes, other than such arrangements or fiscal unities where the only members of which were other Group Companies.

3 ACCOUNTS

- 3.1 The Accounts make proper provision or reserve for Tax to the extent required by applicable generally accepted accounting principles.
- 3.2 Proper provision has been made and shown (or disclosed by way of note) in the Accounts for deferred taxation in accordance with generally accepted accounting practice.
- 3.3 All claims, disclaimers elections or surrenders in respect of Tax assumed to have been made for the purposes of the Accounts have been properly made, given or submitted to a Tax Authority.

4 EVENTS SINCE THE 30 SEPTEMBER 2025

4.1 None of the following Events has occurred since the 30 September 2025:

- (a) a deemed (as opposed to an actual) acquisition, disposal or supply of assets, goods or services by any Group Company;
- (b) any Group Company ceasing or being deemed to cease to be a member of any group or associated with any other company for the purposes of Tax;
- (c) a disposal or supply of assets, goods or services by any Group Company for a consideration which is treated for the purposes of Tax as greater than the actual consideration;
- (d) an acquisition by or supply to any Group Company of assets, goods or services for a consideration which is treated for the purposes of Tax as less than the actual consideration;
- (e) an Event which results in any Group Company being liable for Tax for which it is not primarily liable;
- (f) an Event in respect of which a Tax Liability arises as a result of a failure by any Group Company to withhold, deduct or account for Tax;
- (g) the end of any Tax accounting period of any Group Company other than one ending on the accounting reference date.

5 CONCESSIONS

5.1 No Group Company has during the period of six years ending on the date of this Agreement relied on any concession, dispensation or practice (in each case other than one of general application or which materially aligns with any published practice, guidance or extra-statutory concessions) which affects the amount of Tax chargeable on that Group Company or which purports to modify or provide exemption from any obligation to make or submit any computation notice or return to any Tax Authority.

6 DEDUCTIONS AND WITHHOLDINGS

6.1 In the last six years, each Group Company has made all deductions and withholdings in respect of, or on account of, any Tax from any payments made by it which it is obliged or entitled to make and (to the extent required to do so) has accounted in full to the relevant Tax Authority for all amounts so deducted or withheld.

7 DISTRIBUTIONS

7.1 Except for dividends properly authorised and disclosed in its audited accounts, no Group Company has in the period of six years ending on the date of this Agreement made (nor is it deemed to have made during such period) any distribution within the meaning of Part 23 CTA 2010 (company distributions) nor has any Group Company agreed to make any such distribution.

8 CLOSE COMPANY

8.1 Each Group Company which is incorporated in the United Kingdom is a close company (within the meaning of section 439 CTA 2010) for Tax purposes.

- 8.2 No Group Company which is incorporated in the United Kingdom is, nor has it at any time in the last six years been, a close investment holding company (within the meaning of section 18N CTA 2010).
- 8.3 No Group Company has at any time during the period of six years ending on the date of this Agreement made any payment to any person which has a direct or indirect share or interest in the relevant Group Company where such payment falls to be treated as a deemed distribution for Tax purposes (including under section 1064 CTA 2010 (certain expenses of close companies treated as distributions)).
- 8.4 No Group Company has made any loan, advance or payment or given any consideration falling within sections 455, 459 and 460 CTA 2010 (loans to participators) which remains outstanding or has repaid or released any such loans or advances at any time during the period of three years ending on the date of this Agreement.
- 8.5 No Group Company in the last 6 years has made any transfer of value such as is specified in section 94(1) Inheritance Tax Act 1984 (charge on participators).

9 LOAN RELATIONSHIPS

- 9.1 All interest, discounts and premiums payable by any Group Company in respect of its loan relationships (within the meaning of section 302 CTA 2009) are eligible to be brought into account by the Group Company as a debit for the purposes of Part 5 CTA 2009 at the time, and to the extent that such debits are recognised in the statutory accounts of the Group Company.
- 9.2 Within the last six years, no Group Company has been allocated any allocated disallowances by the reporting company of the worldwide group to which any Group Company belongs pursuant to the provisions of Part 10 TIOPA 2010.
- 9.3 No Group Company and no reporting company of any worldwide group of which any Group Company is a member has made any election under Part 10 TIOPA 2010 (whether for the application of the group ratio method or to qualify as a qualifying infrastructure company) which has impacted the application of Part 10 TIOPA 2010 to a Group Company within the last six years.
- 9.4 In warranties 9.2 and 9.3, "**allocated disallowance**", "**worldwide group**", "**reporting company**" and "**qualifying infrastructure company**" each bear the meaning set out in Part 10 TIOPA 2010.

10 CAPITAL ALLOWANCES AND CHARGEABLE GAINS

- 10.1 So far as the Seller is aware, all necessary conditions for the availability of all capital allowances claimed by each Group Company have at all material times been satisfied and remain satisfied in the last six years.

11 SECONDARY LIABILITY

- 11.1 No Group Company is, or so far as the Seller is aware, will become, liable to make any payment of or in respect of Tax where such Tax is primarily chargeable against any other person (save for another Group Company), in each case other than any VAT in respect of supplies made to a Group Company.

12 STAMP DUTY LAND TAX, STAMP DUTIES ETC

- 12.1 No Group Company is liable, nor, so far as the Seller is aware, will any Group Company become liable (whether by reason of unascertained, deferred or contingent consideration or otherwise), to pay any further Stamp Tax or file a return in respect thereof after Completion in respect of a transaction occurring before Completion.

12.2 All documents in the enforcement of which any Group Company is interested have been duly stamped with all relevant Stamp Tax where required to be paid (whether of the United Kingdom or elsewhere) and there are no documents outside the United Kingdom which if they were brought into the United Kingdom would give rise to a liability to Stamp Tax payable by any Group Company.

12.3 Neither entering into this Agreement nor Completion will result in the withdrawal of a Stamp Tax relief granted on or before Completion to any Group Company.

13 TRANSACTIONS WITH ASSOCIATED PERSONS

13.1 In the period of six years ending on the date of this Agreement, no Group Company has been party to or involved in any transaction or arrangements which were not on arm's length terms or to which Tax Legislation in respect of transfer pricing requirements applies to impose an adjustment to an actual provision of the transaction or arrangement for Tax purposes.

14 ANTI-AVOIDANCE

14.1 No Group Company has been party to or otherwise involved in any transaction, series of transactions, scheme or arrangement for which the main purpose or one of the main purposes of which was to avoid Tax.

14.2 No Group Company has entered into any notifiable arrangements for the purposes of any Tax Legislation specifically requiring the disclosure of Tax avoidance schemes or arrangements to a Tax Authority.

14.3 Each Group Company resident in the UK has in place (and has had in place at all times since 30 September 2017) such prevention procedures (as defined in section 45(3) and 46(4) of the CFA 2017) as are proportionate to its business risk and are in line with any guidance published from time to time pursuant to section 47 of the CFA 2017.

14.4 No person, acting in the capacity of an Associated Person (as defined in section 44(4) of the CFA 2017) of any Group Company has committed: (i) a UK tax evasion facilitation offence under section 45(5) of the CFA 2017; or (ii) a foreign tax evasion facilitation offence under section 46(6) of the CFA 2017.

14.5 Each UK Group Company has at all times met its reporting obligations under the International Tax Enforcement (Disclosable Arrangements) Regulations 2023.

15 VALUE ADDED TAX

15.1 Each Group Company is a taxable person and is duly registered for VAT in its jurisdiction of incorporation, has not at any time in the last six years been treated as (nor applied to be) a member of a group of companies for VAT purposes (other than a group consisting solely of Group Companies), and has complied in all material respects with the requirements of the applicable Tax Legislation for VAT purposes.

15.2 No Group Company is registered (or required to be registered) for VAT in any jurisdiction other than its jurisdiction of incorporation.

15.3 No Group Company has in the last three years been required by a Tax Authority to give any security in respect of unpaid VAT.

16 PILLAR TWO

16.1 No Group Company is and no Group Company has ever been a member of a qualifying multinational group within the meaning given by any Tax Legislation introduced in any

jurisdiction implementing the OECD's Inclusive Framework on BEPS in respect of the Global Anti-Base Erosion Model Rules (Pillar 2).

17 GROUPS

- 17.1 No Group Company is, nor has it at any time in the last six years been a member of a group of companies for any Tax purpose other than one made up only of some or all of the other Group Companies and/or the Seller.
- 17.2 No Group Company has, in the last six years, acquired any asset from any company which at the time of the acquisition was a member of the same group of companies, as defined in section 170 of TCGA 1992 or Chapter 8, Part 8 of CTA 2009, in each case on a 'no-gain, no-loss' basis.

18 TAX RELIEF FOR EXPENDITURE

- 18.1 No Group Company has since the Accounts Date made any payment or incurred any liability to make any payment of a revenue nature in excess of £25,000 which could be disallowed as a deduction in computing the taxable profits of such Group Company or as a charge on that Group Company's income and which has not been treated as disallowed in the tax provision in the Completion Accounts.

19 INHERITANCE TAX

- 19.1 So far as the Seller is aware, no Group Company is, nor will it become, liable to be assessed to inheritance tax as donor or donee of any gift or as transferor or transferee of value (actual or deemed) or as a result of any disposition chargeable transfer or transfer of value (actual or deemed) made by or deemed to be made by any other person, and no asset owned by any Group Company, nor so far as the Seller is aware, the Sale Shares, are liable to be subject to any sale, mortgage or charge by virtue of section 212(1) of the Inheritance Tax Act 1984.

20 RESIDENCE

- 20.1 Each Group Company has always been resident in, and has never been treated as resident outside, its jurisdiction of incorporation for Tax purposes. No Group Company is, nor in the last six years has been, subject to Tax in any jurisdiction other than its jurisdiction of incorporation.
- 20.2 No Group Company has, nor in the last six years has had, any permanent establishment (within the meaning of the OECD Model Double Taxation Agreement) or fixed outside its jurisdiction of incorporation.

21 SHARE AND BONUS SCHEMES

- 21.1 No Group Company has established (nor is it a participant in or connected with) any share incentive, share option or other share plan, scheme or arrangement, whether or not approved by a Tax Authority, for the benefit of its Employees or any of them.
- 21.2 No Employee, or any person associated with such Employee for Tax purposes, holds or has any other right or interest in or has any right to acquire, or at any time since the Accounts Date has held, any shares or other equity or debt interests in any Group Company.
- 21.3 In the last six years, no person connected with or acting on the instructions of any Group Company or the Seller has made any payments or any loans or transferred, earmarked, however informally, or made any assets available, for the benefit of, any Employee in circumstances that could give rise to a charge of income tax or national insurance or other social security contributions in respect of disguised employment remuneration (including under the provisions of Part 7A ITEPA 2003).

21.4 In this Warranty "**Employees**" include officers and employees of each Group Company, part or former officers and employees of each Group Company.

SCHEDULE 8

COMPLETION ACCOUNTS

1 DEFINITIONS AND INTERPRETATION

1.1 The definitions in this paragraph apply in this Schedule 8.

CA Expert an accountant with experience of acting as an independent expert or an independent firm of chartered accountants of international repute appointed in accordance with paragraph 3 of this Schedule 8 to resolve any dispute arising between the parties in connection with the preparation of the Completion Accounts and/or the Completion Accounts Statement; and

CA Review Period the period of 30 Business Days commencing on the first Business Day after the day on which the Seller receives the CA Draft Documents (as defined below) from the Buyer in accordance with paragraph 2.1 of this Schedule 8.

1.2 Any period of time specified in this Schedule 8 may be extended by agreement in writing between the Buyer and the Seller.

2 PREPARING THE COMPLETION ACCOUNTS AND COMPLETION ACCOUNTS STATEMENT

2.1 The Buyer shall, as soon as reasonably practicable and in any event within 120 Business Days from the Completion Date, prepare and deliver to the Seller drafts of the Completion Accounts ("**Draft Completion Accounts**") and the Completion Accounts Statement drawn up in accordance with paragraph 4 of this Schedule 8 (together "**CA Draft Documents**").

2.2 The Seller shall promptly provide the Buyer (and its agents or advisers) with access to such of its information, books and records as the Buyer (or its agents or advisers) may reasonably require in connection with the preparation of the CA Draft Documents.

2.3 The Seller shall be entitled to review the CA Draft Documents, and no later than the last day of the CA Review Period, the Seller shall notify the Buyer in writing ("**CA Dispute Notice**") if it disagrees with any of the items set out in the CA Draft Documents. For each item that is disagreed with, the CA Dispute Notice must provide an explanation of the reason for disagreement and, to the extent practicable, any adjustments which the Seller considers should be made to the CA Draft Documents.

2.4 If a valid CA Dispute Notice is received by the Buyer, the Buyer and the Seller shall, during the period of 30 Business Days commencing on the date of service of the CA Dispute Notice ("**CA Resolution Period**"), meet (whether in person or remotely) to discuss the items disagreed with in order to seek to reach agreement on such adjustments (if any) to the CA Draft Documents as are necessary to put the CA Draft Documents in a form which is agreed by the Buyer and the Seller. If agreement is reached on the disputed matters between the Seller and the Buyer (such agreement to be confirmed in writing), the CA Draft Documents (revised as necessary to reflect such parties' agreement) shall constitute the Completion Accounts and the Completion Accounts Statement.

2.5 If the Seller and the Buyer are unable to agree the adjustments to the CA Draft Documents, then at any time following the expiry of the CA Resolution Period the Buyer or the Seller may, by written notice to the Buyer (in the case of the Seller) or to the Seller (in the case of the Buyer), require the disputed matters to be referred to a CA Expert for resolution in accordance with paragraph 3 of this Schedule 8. All matters and items contained in the CA Draft Documents which are not disputed under the CA Dispute Notice shall be deemed to be agreed between the

parties. Neither the Buyer nor the Seller shall be entitled to refer to the CA Expert any matters other than those contained in the CA Dispute Notice.

2.6 If, during the CA Review Period, the Seller does not serve a CA Dispute Notice, the Seller shall be deemed to have accepted the CA Draft Documents delivered to the Seller as the Completion Accounts and the Completion Accounts Statement, which shall be final and binding on the parties.

2.7 The Buyer and the Seller shall bear and pay their own costs incurred in connection with the preparation, review and agreement of the Completion Accounts and the Completion Accounts Statement.

3 CA EXPERT

3.1 If a notice is served by a party pursuant to paragraph 2.5 of this Schedule 8, the Buyer and the Seller shall use reasonable endeavours to reach agreement regarding the identity of the person to be appointed as the CA Expert and to agree terms of appointment with the CA Expert.

3.2 If the Buyer and the Seller fail to agree on a CA Expert and/or their terms of appointment within 5 Business Days of serving details of a proposed CA Expert on the other:

(a) the Buyer and the Seller shall jointly request the President for the time being of the Institute of Chartered Accountants in England and Wales; or

(b) (if such joint request is not made within 10 Business Days of the Buyer or the Seller serving details of a suggested expert on the other) either the Buyer or the Seller shall be entitled to request the London Court of International Arbitration,

in either case to nominate an accountant of repute with appropriate experience (being at least ten years' qualified experience in an independent and reputable firm of chartered accountants of international standing) as CA Expert.

3.3 Except for any procedural matters, or as otherwise expressly provided in this Schedule 8, the scope of the CA Expert's determination shall be limited to determining the unresolved matters in the CA Dispute Notice relating to:

(a) whether the CA Draft Documents have been prepared in accordance with the requirements of this Schedule 8;

(b) whether any errors have been made in the preparation of the CA Draft Documents;

(c) any consequential adjustments, corrections or modifications that are required in order for the CA Draft Documents to have been prepared in accordance with the requirements of this Schedule 8; and

(d) in rendering its determination, the CA Expert shall select, for each disputed item, either the Buyer's position, the Seller's position or within the range of the positions presented by the Parties, and shall not assign any value or treatment to any item that is not within the range of the positions presented by the Parties. The CA Expert shall not consider any issues or adjustments other than the specific differences between the Buyer's position and the Seller's position on the disputed items, and shall not increase or decrease any item except to the extent necessary to choose between the Parties' positions on that item.

3.4 Upon appointment of the CA Expert, the Seller and the Buyer (or their respective accounting advisers on their behalf) shall have a period of 20 Business Days to provide all the information that the CA Expert may reasonably require. The Buyer and the Seller shall each also, within the same time period, be entitled to provide a written statement for the CA Expert's consideration in

respect of the matters in dispute and as identified in the CA Dispute Notice. The CA Expert shall subsequently be entitled to request further information from the Seller and the Buyer, and they shall each provide such assistance to the CA Expert as is reasonably necessary in order for the CA Expert to reach its decision.

- 3.5 Subject to any extension of time reasonably required by the CA Expert, the CA Expert shall prepare a written decision (including reasons for its decision) and to provide a copy to each party as soon as reasonably practicable and in any event within 20 Business Days of the earlier of (a) receipt of both the Seller's and the Buyer's statements pursuant to paragraph 3.4 or (b) the expiry of the time period in which such statements were to be provided.
- 3.6 All matters under this paragraph 3 shall be conducted, and the CA Expert's decision shall be written, in the English language.
- 3.7 If an appointed CA Expert dies or becomes unwilling or incapable of acting, or does not deliver its determination within the period required by this paragraph 3:
- (a) the Buyer and the Seller shall use reasonable endeavours to agree the identity and terms of appointment of a replacement CA Expert;
 - (b) if the Buyer and the Seller fail to agree and appoint a replacement CA Expert within 10 Business Days of a replacement being proposed in writing by a party, then either the Buyer or the Seller may apply to the London Court of International Arbitration to discharge the appointed CA Expert and to appoint a replacement CA Expert with the required expertise; and
 - (c) this paragraph 3 shall apply in relation to the new CA Expert as if they were the first CA Expert appointed.
- 3.8 In giving its decision, the CA Expert shall state what adjustments (if any) are necessary to the CA Draft Documents in order for them to have been prepared in accordance with this Agreement and to represent the Completion Accounts.
- 3.9 To the extent not provided for in this paragraph 3, the CA Expert may in its reasonable discretion determine such other procedures to assist with the conduct of its determination as it considers just or appropriate including (to the extent it considers necessary) instructing professional advisers to assist in reaching its determination.
- 3.10 The CA Expert shall act as an expert and not as an arbitrator. Save as set out at paragraph 3.11, the CA Expert shall determine any dispute properly referred to it under this Agreement, its jurisdiction to determine the matters in dispute and issues referred to it or the interpretation of its terms of reference.
- 3.11 Any dispute as to whether the expert determination process has been triggered pursuant to paragraph 2.5 shall be subject to the exclusive jurisdiction of the English Courts, to which the parties irrevocably submit.
- 3.12 The CA Expert's written decision on the matters referred to him shall be final and binding in the absence of manifest error or fraud.
- 3.13 The parties shall act reasonably and co-operate to give effect to the provisions of this paragraph 3 and shall not do anything to hinder or prevent the CA Expert from making a determination.
- 3.14 The fees and expenses of the CA Expert shall be borne by the Seller, on the one hand, and the Buyer, on the other hand, based on the percentage which the portion of the contested amounts not awarded to the Seller, on the one hand, or Buyer, on the other hand, bears to the total amount actually contested by such Party (and the Buyer shall be able to deduct the Seller's contribution from any amount payable to the Seller in accordance with this Schedule 8 and shall

promptly pay such amount so deducted to the CA Expert on behalf of the Seller) or the Seller shall be able to deduct the Buyer's contribution from any amount payable to the Buyer in accordance with this Schedule 8 and shall promptly pay such amount so deducted to the CA Expert on behalf of the Buyer (as applicable).

4 BASIS FOR PREPARING THE COMPLETION ACCOUNTS

4.1 The Draft Completion Accounts and the Completion Accounts shall be prepared in accordance with the Accounting Standards and the following accounting principles, bases, conventions, rules and estimation techniques, and in the order of priority shown below, and where appropriate Cash, Debt and Working Capital shall be calculated on the same bases:

- (a) first, applying the specific accounting principles, bases, conventions, rules and estimation techniques used to prepare the Sample Completion Accounts Statement;
- (b) second, applying the specific accounting principles, bases, conventions, rules and estimation techniques set out in paragraph 5 of this Schedule 8;
- (c) third, and subject to paragraph 4.1(b), applying the same accounting principles, policies, treatments and categorisations as were used in the preparation of the Accounts including in relation to the exercise of accounting discretion and judgment (to the extent consistent with the Accounting Standards); and
- (d) fourth, subject to paragraphs 4.1(a), 4.1(b) and 4.1(c), in accordance with the Accounting Standards.

4.2 The Completion Accounts and Completion Accounts Statement shall be in the format set out in Schedule 10.

5 SPECIFIC POLICIES

5.1 The Draft Completion Accounts and Completion Accounts shall be drawn up as the Effective Time and no account shall be taken of events taking place after the Effective Time, and regard shall only be had to information available to the parties to this Agreement up to the date that the CA Draft Documents are delivered by the Buyer to the Seller in accordance with paragraph 2.1 of this Schedule 8.

5.2 The Draft Completion Accounts and Completion Accounts will be prepared in £ (pounds sterling). Assets and liabilities in the Draft Completion Accounts and Completion Accounts denominated in a currency other than £ (pounds sterling) shall be converted into £ (pounds sterling) at the Exchange Rate applicable to such other currency on Business Day preceding the Completion Date.

5.3 The Draft Completion Accounts and Completion Accounts shall be prepared on the basis that the Group is a going concern and, save as specifically required by the provisions of this Schedule 8, shall exclude the effects of change of control or ownership of the Group.

5.4 In the preparation of the Draft Completion Accounts and Completion Accounts, no items shall be included more than once and no minimum material limits and thresholds shall be applied in calculating Cash, Debt and Working Capital.

5.5 For the purposes of the Draft Completion Accounts and Completion Accounts, the Effective Time shall be treated as the end of a tax and accounting period. Corporation tax liabilities as at Completion shall be included in the Completion Accounts but any tax liabilities incurred outside the ordinary course of business after Completion but before the Effective Time shall not be included in the Completion Accounts.

- 5.6 Events occurring and information becoming available up until the date of the agreement, deemed agreement or determination of the Completion Accounts in accordance with this agreement, but not thereafter, shall be taken into account, to the extent that they provide additional information about conditions existing at the Effective Time.

SCHEDULE 9

CONDUCT OF BUSINESS PRIOR TO COMPLETION

- 1 Dispose of any (i) material assets used or required for the operation of its business, or (ii) Group Company or Minority Interest.
- 2 Make any change in the share capital, loan capital or of any other security in any Group Company (including the making of any redemption, purchase or other acquisition of any shares, loan capital or other securities in any Group Company) or the grant of any option or rights to subscribe for or convert any instruction into such shares or securities.
- 3 Pass any resolution of its members.
- 4 Appoint any person as a statutory director.
- 5 Incur or vary the terms of, or entering into any agreement or facility to obtain, any borrowing, advance, credit or finance or any other indebtedness or liability.
- 6 Make any loan or cancel, release or assign any indebtedness owed to it or any claims held by it.
- 7 Enter into any property lease, or any other material lease, lease-hire or hire-purchase agreement or agreement for payment on deferred terms.
- 8 Declare or pay any dividend or make any other distribution of its assets, save as required pursuant to clause 4.12.
- 9 Change the accounting reference date or accounting policies of any Group Company.
- 10 Make any alterations to the terms of employment or engagement (including benefits) of any of its directors, employees or Workers, excluding ordinary course pay increases of not more than 5% of base salary and ordinary course promotions.
- 11 Establish or vary any agreements or arrangements for the payment of pensions or other benefits on retirement to any of its current or former employees or directors (or any of their dependants).
- 12 Enter into (or modify any subsisting) agreement with any Representative Body.
- 13 Create any Encumbrance over any of its assets or its undertaking.
- 14 Give any financial or performance guarantee, or any similar security or indemnity.
- 15 Commence, settle or agree to settle any legal proceedings relating to its business, or otherwise concerning any Group Company, save for ordinary course debt collection.
- 16 Incur any liability to the Seller or any person connected with the Seller, save as required pursuant to clause 4.12.
- 17 Vary the terms on which it holds any of the Properties, or settle any rent review.
- 18 Agree any material amendment, termination or material variation to any contract with any customer of any Group Company outside of the ordinary course of business.
- 19 Enter into any contract, commitment or arrangement which is outside the ordinary course of business or not otherwise on arm's length terms.

- 20 Settle or compromise any litigation, arbitration or other proceedings relating to any Group Company, save for ordinary course debt collection.
- 21 Transfer, assign, grant an exclusive licence or any Encumbrance over, or otherwise dispose of any material Intellectual Property Rights or the disclosure of any source code or trade secrets.
- 22 Change any Group Company's residency for Tax purposes or the creation of a permanent establishment or other taxable presence in any jurisdiction.
- 23 Enter into any legal partnership or joint venture arrangement with any person.
- 24 Change any material basis, policy or practice relating to Tax or making or changing any material election relating to Tax.
- 25 Change or fail to maintain any insurance policy of any Group Company.
- 26 Enter into any commitment, arrangement or obligation to do any of the foregoing.

SCHEDULE 10

SAMPLE COMPLETION ACCOUNTS STATEMENT

[Redacted – Commercially Sensitive Information]

SCHEDULE 11

FORM OF LOCK-UP AGREEMENT

THIS AGREEMENT is dated as of the ____ day of [●], 2026.

B E T W E E N :

SONARDYNE HOLDINGS LIMITED, a private limited liability company incorporated in England & Wales

(the “**Seller**”)

- and -

KRAKEN ROBOTIC SYSTEMS INC., a corporation existing under the laws of Canada

(the “**Buyer**”)

- and –

KRAKEN ROBOTICS INC., a corporation existing under the laws of Canada

(“**Kraken**”)

CONTEXT:

- A.** The Buyer and, *inter alia*, the Seller have entered into a share purchase agreement (the “**Share Purchase Agreement**”) dated as [●], 2026, providing for, among other things, the sale by the Seller, to the Buyer, of all the issued and outstanding shares of Covelya Group Limited (the “**Company**”) and its direct and indirect subsidiaries by the Seller in connection with the acquisition of the Company by the Buyer.
- B.** Pursuant to the Share Purchase Agreement, the Seller will receive, among other forms of consideration, [●] common shares in the capital of Kraken (the “**Lock-Up Shares**”).
- C.** The Share Purchase Agreement provides that this Agreement be delivered to the Buyer and Kraken, at or prior to Completion, to be effective as of the Completion (as such term is defined in the Share Purchase Agreement).

THEREFORE, for good and valuable consideration provided in the Share Purchase Agreement and the covenants and agreements contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms and Arrangement Agreement

Unless otherwise specified, all capitalized terms used but not otherwise defined in this Agreement will have the respective meanings ascribed to them in the Share Purchase Agreement.

1.2 Certain Rules of Interpretation

- 1.2.1 Gender, etc. Unless the context otherwise requires, words importing the singular include the plural and vice versa, and words importing any gender include all genders.
- 1.2.2 Including. Every use of the words “including” or “includes” in this Agreement is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.
- 1.2.3 Division and Headings. The division of this agreement into Articles and Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- 1.2.4 Articles, Sections, etc. References in this Agreement to an Article or Section are to be construed as references to an Article or Section of this Agreement unless otherwise specified.
- 1.2.5 Time. Time is of the essence in and of this Agreement. Unless otherwise specified, time periods within or following which any act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends. Where the last day of any such time period is not a Business Day, such time period shall be extended to the next Business Day following the day on which it would otherwise end.
- 1.2.6 Business Days. Whenever any action to be taken pursuant to this Agreement would otherwise be required to be made on a day that is not a Business Day, such action shall be taken or such payment shall be made on the first Business Day following such day.

1.3 Governing Law

This agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

ARTICLE 2 LOCK-UP RESTRICTIONS

2.1 Restrictions on Transfer

- 2.1.1 Except as expressly provided in this Agreement, including Section 2.2, or with the prior written consent of Kraken in its sole discretion, the Seller hereby irrevocably and unconditionally agrees that, during the period commencing on the date hereof and expiring on the two-year anniversary of the Completion Date (the “**Lock-Up Period**”), the Lock-Up Shares and the beneficial ownership of or any interest in them and in any certificate and other instrument or documentation, as the case may be, evidencing them shall not, in any manner, directly or indirectly, be sold, assigned, transferred, optioned, swapped, gifted, hypothecated, pledged or otherwise encumbered, alienated, disposed, shorted, hedged, monetized, or otherwise offered, contracted or dealt with in any manner which has the economic effect of any of the foregoing acts, on a current or prospective basis, or agreeing or publicly announcing any intention to do any of the foregoing (all of the foregoing, being a “**Transfer**”). For greater certainty, customary bona fide margin loans and pledges to institutional lenders permitted under Section 2.2.4 shall not constitute a Transfer unless and until foreclosure or other realization occurs.

2.1.2 The Seller authorizes Kraken, during the Lock-Up Period only, to decline to Transfer and/or to note stop Transfer restrictions or other equivalent measures, during the Lock-Up Period only, on the transfer books and records of Kraken with respect to any Lock-Up Shares for which the Seller is the registered holder. The Seller acknowledges and agrees that any certificates or direct registration advices representing or evidencing the Lock-Up Shares or the issuance thereof may bear a legend or notation, as the case may be, disclosing that such securities are subject to the restrictions on transfer contained in this Agreement. Kraken shall promptly (and in any event within two (2) Business Days) remove any such legend or notation and lift any stop transfer upon the release of the applicable Lock-Up Shares in accordance with this Agreement, and shall be responsible for any costs associated therewith.

2.1.3 The restrictions contained in this Section 2.1 of this Agreement are collectively referred to as the “**Lock-Up Restrictions**”).

2.2 Permitted Transfers

2.2.1 The Seller may sell, assign, transfer, deposit or tender any or all of the Lock-Up Shares that remain subject to the Lock-Up Restrictions pursuant to any take-over bid (as defined in the *Securities Act* (Ontario)), plan of arrangement or any similar transaction, including, without limitation, a merger, arrangement or amalgamation, involving a change of control of Kraken (each a “**Change of Control Event**”); provided that all Lock-Up Shares that were subject to the Lock-Up Restrictions that are not so sold, assigned, deposited or tendered pursuant to the Change of Control Event remain subject to the Lock-Up Restrictions; and provided further that it shall be a condition of transfer that if such take-over bid or other transaction is not completed, any Lock-Up Shares that otherwise would at such time be subject to the Lock-Up Restrictions shall remain subject to such restrictions).

2.2.2 The Seller may transfer any or all of the Lock-Up Shares to any nominee or custodian where there is no change in beneficial ownership provided that any such nominee or custodian has executed an acknowledgement in form and substance satisfactory to Kraken that the Lock-Up Shares remain subject to this Agreement.

2.2.3 The Seller may transfer any or all of the Lock-Up Shares to an affiliate (as such term is defined in the *Securities Act* (Ontario)) provided an agreement in form and substance the same as this Agreement is executed and delivered to Kraken by such transferee with respect to the Lock-Up Shares remaining subject to the Lock-Up Restrictions for the balance of the Lock-Up Period as reflected in Section 2.3.

2.2.4 The Seller may create a bona fide pledge or other security interest over Lock-Up Shares in favor of one or more third-party financial institutions to secure indebtedness; provided that (a) no foreclosure, sale or other realization on such Lock-Up Shares may occur during the Lock-Up Period except pursuant to another permitted transfer, and (b) the pledgee agrees in writing to be bound by the transfer restrictions in this Agreement.

2.2.5 The Seller may participate in any issuer bid, normal course issuer bid or open-market repurchase program by Kraken.

2.3 Release Schedule

2.3.1 Notwithstanding the above and notwithstanding any other provision of this Agreement, the Lock-Up Shares will be released from the Lock-Up Restrictions on the following basis:

2.3.1.1 one-third (1/3) of the total number of Lock-Up Shares (rounding down any fractions) will be released from the Lock-Up Restrictions on the date that is twelve months following the Completion Date;

2.3.1.2 one-third (1/3) of the total number of Lock-Up Shares (rounding down any fractions) will be released from the Lock-Up Restrictions on the date that is eighteen months following the Completion Date; and

2.3.1.3 thereafter, the remaining Lock-Up Shares will be released from the Lock-Up Restrictions at the end of the Lock-Up Period.

2.3.2 In addition to the foregoing, all Lock-Up Shares shall be automatically released upon the public announcement of (and subject to consummation of) Kraken's delisting from any stock exchange on which its common shares are then listed.

ARTICLE 3 REPRESENTATIONS, WARRANTIES AND COVENANTS

3.1 Representations and Warranties of the Seller

The Seller represents and warrants, as of the date of this Agreement, as follows and acknowledges that the Buyer is relying upon these representations and warranties in connection with the entering into of this Agreement.

3.1.1 The Seller has all necessary capacity, power and authority to execute and deliver this agreement and to perform its obligations under this Agreement.

3.1.2 This agreement has been duly executed and delivered by the Seller and (assuming the due authorization, execution and delivery by Buyer) constitutes a legal, valid and binding obligation, enforceable by Buyer against the Seller in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults.

3.1.3 None of the execution and delivery by the Seller of this agreement or the performance by the Seller of the Seller's obligations under this agreement will result in a breach of, be in conflict with or constitute a default under any agreement or instrument to which the Seller is a party or by which the Seller or any of the Seller's property or assets is bound.

ARTICLE 4 GENERAL

4.1 Termination

This Agreement will continue in force until the release of all the Lock-Up Shares in accordance with the terms of this Agreement, whereupon this Agreement will automatically terminate.

4.2 Disclosure

Except as required by applicable laws or by any governmental authority or disclosure to its legal, accounting and financial advisors and to its lenders, the Seller will not make any public announcement or statement with respect to this Agreement without the prior written approval of the Buyer, which approval will not be unreasonably withheld or delayed.

4.3 Remedies

The Seller agrees that if this Agreement is breached, or if a breach of this Agreement is threatened, damages would be an inadequate remedy and, therefore, without limiting any other remedy available at law or in equity, the Buyer will be entitled to an injunction, restraining order, specific performance and other forms of equitable relief without a requirement to post bond or security.

4.4 Notices

Unless otherwise specified, any notice or other communication given or made under this agreement (a “**Communication**”) must be in writing and either:

4.4.1 delivered personally or by courier; or

4.4.2 transmitted by e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid,

and must be sent to the intended recipient at its address as follows:

4.4.3 to the Seller at:

Ocean House Blackbushe Business Park, Saxony Way, Yateley, Hampshire,
United Kingdom, GU46 6GD

Attention: Simon Patridge
E-mail: [Redacted – Personal Information]

4.4.4 to the Buyer at:

189 Glencoe Drive, Mount Pearl, NL A1N 4P6, Canada

Attention: Greg Reid, CEO and Andrew Griffin, Director, Legal
E-mail: [Redacted – Personal Information]

with a copy to:

Gowling WLG (Canada) LLP
100 King St W Suite 1600, Toronto, ON M5X 1G5

Attention: Ian Mitchell
E-mail: [Redacted – Personal Information]

or at any other address as any party may at any time advise the other by Communication given or made in accordance with this Section 4.4. Any Communication delivered or transmitted will be deemed to have been given or made and received on the day on which it is delivered or transmitted; but if the Communication is delivered or transmitted on a day that is not a Business Day or after 5:00 p.m. (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day. Sending a copy of a Communication to a party's legal counsel is for information purposes only and does not constitute delivery of that Communication to that party. The failure to send a copy of a Communication to a party's legal counsel does not invalidate delivery of that Communication to the party.

4.5 Severability

Each portion of this Agreement is distinct and severable, and if any portion of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that portion, in whole or in part, will not affect:

- 4.5.1 the legality, validity or enforceability of the remaining portions of this Agreement, in whole or in part; or
- 4.5.2 the legality, validity or enforceability of that portion, in whole or in part, in any other jurisdiction.

4.6 Submission to Jurisdiction

Each of the parties irrevocably and unconditionally submits and attorns to the exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity, arising from this Agreement.

4.7 Amendment and Waiver

No amendment, discharge, modification, restatement, supplement or waiver of this Agreement or any portion of this Agreement is binding unless it is in writing and executed by the party to be bound. No waiver of, failure to exercise, or delay in exercising, any portion of this Agreement constitutes a waiver of any other portion (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

4.8 Assignment and Enurement

Except as expressly set forth herein, neither this Agreement nor any right or obligation under this Agreement may be assigned by either party without the prior written consent of the other party. This Agreement enures to the benefit of and is binding upon the parties and their respective heirs, executors, administrators, estate trustees, trustees, personal or legal representatives, successors and permitted assigns.

4.9 Counterparts and Electronic Signatures

This Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and each of which may be delivered by e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

4.10 Independent Legal Advice

The Seller acknowledges that:

- 4.10.1 it has received or had the opportunity to receive independent legal advice with respect to the terms of this Agreement before its execution; and
- 4.10.2 it has read this Agreement, understands it, and agrees to be bound by its terms and conditions.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Each of the parties has executed and delivered this agreement as of the date first noted above.

SONARDYNE HOLDINGS LIMITED

Per:
Name:
Title:

KRAKEN ROBOTIC SYSTEMS INC.

Per:
Name: Greg Reid
Title: Director

KRAKEN ROBOTICS INC.

Per:
Name: Greg Reid
Title: Chief Executive Officer

EXECUTION PAGES

EXECUTED as a **DEED** by)
SONARDYNE HOLDINGS LIMITED) *(Signed) "Simon Partridge"*
acting by Simon Partridge in the)
presence of:) Director

[Redacted – Personal Information]

EXECUTED as a **DEED** by **KRAKEN**)
ROBOTIC SYSTEMS INC. acting by Greg)
Reid in the presence of:) *(Signed) "Greg Reid"*
)
) Greg Reid
[Redacted – Personal Information])
) Director, President & CEO

EXECUTED as a **DEED** by **KRAKEN**)
ROBOTICS INC. acting by Greg Reid in)
the presence of:)

[Redacted – Personal Information])

(Signed) "Greg Reid"
.....
Greg Reid

.....
Director, President & CEO