

Strictly Private & Confidential

23 April 2018

The Directors  
Longdog Investments PLC  
60 Gracechurch Street  
London  
EC3V 0HR

For the attention of Melissa Sturgess

Dear Sirs

## **ENGAGEMENT LETTER FOR THE APPOINTMENT OF PETERHOUSE CORPORATE FINANCE LIMITED**

### **1. Introduction**

Peterhouse Corporate Finance Limited (“Peterhouse”) is pleased to confirm that it is able to offer the services below to Longdog Investments PLC (the “Company”), for the purposes of acting as the Company’s NEX Exchange Corporate Adviser (“NEX Exchange Corporate Adviser”) in connection with the issue of an NEX Exchange Admission Document (the “Admission Document”) and the admission to trading on the Growth Market operated by NEX Exchange Limited (the “NEX Exchange Growth Market”) of the Company’s issued share capital (“Admission” or the “Transaction”).

The purpose of this letter of agreement is to set out the basis (which includes the Standard Terms and Conditions (the “Terms”) attached to this letter) on which Peterhouse has been engaged by the Company and to set out the services to be provided to the Company in connection with the Transaction.

This letter and the Terms together form the “Agreement”.

### **2. Scope of services**

- 2.1. In acting as the Company’s NEX Exchange Corporate Adviser, Peterhouse is solely responsible to NEX Exchange Limited (the “NEX Exchange”) for assessing the Company’s appropriateness as an applicant to the NEX Exchange Growth Market in accordance with the matters set out in Part 2 of the Corporate Advisers Handbook, with due skill and care and after due and careful enquiry. Peterhouse is also responsible to the NEX Exchange for advising and guiding the Company on its obligations under the NEX Exchange Growth Market Rules for Issuers and ensuring that the Company’s Directors have received advice and guidance as to the Company’s responsibilities and obligations under the NEX Exchange Growth Market Rules for Issuers in order to ensure compliance by the Company on an ongoing basis.
- 2.2. In order to satisfy its responsibilities as NEX Exchange Corporate Adviser, Peterhouse will carry out, *inter alia*, the following tasks:
  - 2.2.1 prepare a detailed timetable of events, a list of parties and a list of documents;
  - 2.2.2 consider and advise on the suitability of other professional advisers and advise on the scope and terms of engagement with the Company’s other advisers to be used in

- the course of the Transaction;
- 2.2.3 co-ordinate the activities of the Company's other advisers, including, *inter alia*, the Company's accountants, solicitors and, if appropriate, public relations advisers, in accordance with the agreed timetable;
  - 2.2.4 investigate and consider the suitability of each Director and proposed Director of the Company and consider the efficacy of the Board of the Company as a whole for the Company's needs;
  - 2.2.5 oversee the financial and legal due diligence processes, satisfying ourselves that they are appropriate to the Company and that any material issues arising are dealt with or otherwise do not affect the appropriateness of the Company as an applicant for admission to the NEX Exchange Growth Market;
  - 2.2.6 review the working capital report to be produced by the Company, in conjunction with the reporting accountants, in respect of the working capital statement to be made by the Directors of the Company;
  - 2.2.7 satisfy ourselves that the Company has in place sufficient systems, procedures and controls in order to comply with the NEX Exchange Growth Market Rules for Issuers and satisfy ourselves that the Directors understand their obligations under the NEX Exchange Growth Market Rules for Issuers;
  - 2.2.8 oversee and be actively involved in the preparation of the Admission Document, satisfying ourselves that it has been prepared in accordance with the NEX Exchange Growth Market Rules for Issuers and that statements and information included in it have been made after due and careful enquiry; for the avoidance of doubt it is not envisaged that the Company will be required to issue a prospectus in accordance with section 86 of the Financial Services and Markets Act 2000 ("FSMA");
  - 2.2.9 provide advice on the application of the NEX Exchange Growth Market Rules for Issuers and liaise with the NEX Exchange Regulatory Team as necessary;
  - 2.2.10 co-ordinate the preparation and release via a Regulatory Information Service of such announcements as may be necessary or appropriate in the circumstances; and
  - 2.2.11 such other services as may reasonably be deemed to fall within the scope of this Transaction.
- 2.3. Peterhouse will also act as NEX Exchange Corporate Adviser to the Company following Admission (and thereby accepts the related obligations which are owed to the NEX Exchange) subject to such documentation as is, in the opinion of Peterhouse, required having been produced in a form acceptable to Peterhouse. The terms of Peterhouse's appointment as NEX Exchange Corporate Adviser will be set out in a separate agreement between us to be entered into shortly before Admission. Peterhouse's retainer fee as NEX Exchange Corporate Adviser will be £20,000 (plus VAT) per annum.

Peterhouse emphasises that by entering into or performing its obligations under this Agreement, Peterhouse is not representing that it is or will be possible or advisable for the Transaction to proceed.

### **3. Fees, expenses and payment terms**

- 3.1 In consideration of the services to be provided by Peterhouse in accordance with this Agreement, the Company hereby agrees to pay Peterhouse:
- 3.1.1 a Transaction fee of £25,000 (plus VAT) only, £17,500 of which is payable on the signing of this Agreement. The balance of £7,500 will be paid conditional on Admission and completion of the Transaction;
  - 3.1.2 The Company will pay Peterhouse commission at the rate of 5 per cent of the gross amount of all funds raised by the Company through Peterhouse pursuant to the Transaction (the "Commission");
  - 3.1.3 warrants over 3 per cent. of the Company's enlarged share capital, at the point of Admission, such warrants having an exercise price equal to the price at which the fundraising on Admission is concluded and a term of five years. These options will be subject to a separate agreement to be entered into between Peterhouse and the Company immediately prior to completion of the Transaction.
- 3.2 The above fees and commissions shall be paid within 14 days of receipt of Peterhouse's invoice, except that Peterhouse shall have the right to deduct any fees, commissions and expenses due from the proceeds of any fundraising carried out in relation to the Transaction or any other amounts received and held in escrow by Peterhouse or held by a receiving agent on behalf of the Company, prior to such funds being paid over to the Company.
- 3.3 Peterhouse has agreed to carry out the work described in paragraph 2 above for the remuneration set out in paragraph 3.1 above. Based on our discussions with you we anticipate the Transaction should be completed within a 10-week period.
- 3.4 The Company shall reimburse Peterhouse within 14 days of receipt of Peterhouse's invoice for all costs, charges and other out of pocket expenses reasonably incurred by Peterhouse in connection with the provision of its services under this Agreement including, without limitation, reasonable related expenses and the reasonable fees and expenses, including legal fees, of Peterhouse and of any other professional advisers retained by Peterhouse for itself. Peterhouse may appoint an independent lawyer to advise Peterhouse on the Transaction. The fees of all other professional advisers to the Company (including lawyers, accountants and public relations consultants) and other costs (for example printers, registrars, receiving bankers, stamp duty, fees payable to the NEX Exchange and advertising expenses) shall be for the account of the Company. Peterhouse will not engage any third-party service provider or adviser without the prior written consent of the Company (not to be unreasonably withheld). In the event that consent to engage such third parties is not agreed, Peterhouse shall have the right to terminate this Agreement forthwith. In such circumstances, all fees due to Peterhouse under paragraph 3 of this Agreement accrued to the date of termination shall be paid to Peterhouse immediately upon receipt of Peterhouse's invoice.
- 3.5 If the Transaction or this Agreement is terminated for any reason (other than as a result of the breach of this Agreement by Peterhouse, gross negligence or wilful default of Peterhouse or the failure of Peterhouse to comply with all relevant laws, rules and regulations (particularly those of the Financial Conduct Authority ("FCA") and those contained in the NEX Exchange Corporate Advisers Handbook ("Corporate Advisers Handbook")), in consideration of Peterhouse's work up until the termination in relation to

the Transaction, the Company agrees that the monthly fees already invoiced under paragraph 3.1.1 above, plus any part-month accrual of such, shall constitute the abort fee.

- 3.6 In the event that the Company completes a transaction substantially in the same form as set out above within 6 months of this Agreement being terminated by the Company, the Company agrees to pay to Peterhouse a fee equal to 50 per cent. of the total fees and commissions that would have been due had Peterhouse completed the Transaction.
- 3.7 Peterhouse shall be under no obligation to agree to carry out work outside of the scope described in this Agreement unless a fee for such additional work can be agreed.
- 3.8 Peterhouse's fees are for the account of the Company.
- 3.9 All fees, reimbursement of expenses and other sums payable to Peterhouse are subject to the addition of any applicable value added tax.
- 3.10 All sums payable to Peterhouse under this Agreement shall be paid free and clear of all deductions or withholdings unless the deduction or withholding is required by law, in which event the Company shall pay such additional amount as shall be required to ensure that the net amount received by Peterhouse will equal the full amount which would have been received by it had no such deduction or withholding been made. The Company shall not be entitled to set off monies owed by Peterhouse to the Company against any monies payable to Peterhouse pursuant to this Agreement.

#### **4. Client Categorisation**

- 4.1 The Company acknowledges that Peterhouse proposes to treat the Company as a Retail Client under the FCA Handbook.
- 4.3 The Company may request, by submitting a written request to Peterhouse, that it be re-categorised as a Professional Client (if it satisfies the relevant criteria), in which case it will enjoy a lower level of regulatory protection. In the event the Company so requests, Peterhouse will provide to the Company a summary of the protections it would lose by such a re-categorisation. A summary of Peterhouse's policy on conflicts of interest can be found on Peterhouse's website at [www.pcorpfin.com](http://www.pcorpfin.com).

#### **5. Commencement and duration**

- 5.1 This Agreement shall commence on the date hereof and shall continue and unless terminated early by written notice by either party (in accordance with paragraph 16 of the Terms), until the Transaction is complete and until any fees and expenses due under paragraph 3 above have been paid in full at which time it will terminate without continuing obligation to the Company or Peterhouse except as regards the matters referred to in paragraph 5.2 below.
- 5.2 Termination of this Agreement for any reason whatsoever shall be without prejudice to and shall not be by way of limitation of any claims otherwise available to either party arising out of the antecedent breach of this Agreement by the other party, and the Company shall still pay to Peterhouse all fees and expenses referred to in paragraph 3 above on a pro rata basis up to the effective date of termination. Paragraphs 10 (Confidentiality), 12 (Indemnity), 17 (Notices) and 18 (Miscellaneous) shall continue to apply in accordance with their respective terms.

5.3 In the event of termination of this Agreement, however this occurs, Peterhouse will immediately issue to the client an invoice relating to the fees due in respect of the Notice period. These fees, together with any outstanding previously invoiced fees are payable immediately.

## **6. Market Abuse Regulation (“MAR”)**

The Market Abuse Regulation introduced in July 2016 replaces and strengthens the previous rules relating to Inside Dealing.

MAR harmonizes and extends the reach of the EU regulatory regime on market abuse to capture a wider array of markets, instruments, and specific provisions to address the proliferation of technology-driven trading practices across the European economic area (EEA). MAR both increases the scope of existing market abuse offenses and introduces new offences such as “attempted” insider dealing, suspicious transactions, market abuse and market manipulation, with greater penalties for breaches of the MAR Requirement.

From time to time you may want, or need, to make third parties ‘Insiders’ or may be made ‘Insiders’ in respect of certain activities that your, or another, Company is undertaking. In these circumstances, you must adhere rigidly to the MAR requirements, as they apply to you. In particular, you must ensure that anybody to whom you provide Inside Information is aware of the fact that you are making them Insiders and will themselves treat any Inside Information in their possession, with the utmost confidentiality. Likewise, you must ensure that any Inside Information given to you is treated with the utmost confidentiality and is not released by you to any other party. Breach of MAR requirements will result in severe penalties being imposed by the FCA and other regulators.

Peterhouse will adhere rigidly to the requirements of MAR at all times and strongly recommends that its clients familiarise themselves with the MAR requirements as they relate to them, their business and their business strategies, so as to prevent unintentional breaches of the Regulations.

Peterhouse will do its best to advise clients on MAR requirements, as it applies to them, but can accept no responsibility for any advice provided.

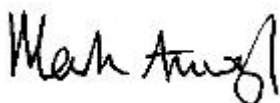
Any intentional breach of MAR requirements by clients, may result in termination of this Agreement.

## **7. Miscellaneous**

This Agreement: (i) may not be amended or modified except in writing (save for changes required in order to give effect to changes in law or the regulatory regime to which Peterhouse is subject); and (ii) incorporates the Terms as attached to this letter which will apply not only to this Agreement but to all other assignments undertaken from time to time by Peterhouse on behalf of the Company unless specifically agreed otherwise beforehand in writing.

If this Agreement accurately reflects the understanding between us, we shall be grateful if you can confirm the same by signing and returning the execution copy attached, at your convenience.

Yours faithfully

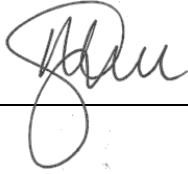


For and on behalf of  
**Peterhouse Corporate Finance Limited**

To: Peterhouse Corporate Finance Limited

We refer to the letter from you dated 23 April 2018 which is set out above and accept the terms of your engagement as set out in that letter.

Signature



M e l i s s a   S t u r g e s s

Print name in full

For and on behalf of the Board of Longdog Investments plc  
An authorised signatory

Director

Position

24 April, 2018

Dated

**STANDARD TERMS AND CONDITIONS**  
("Terms")

**1. Interpretation**

In these Terms:

- references to this "Agreement" shall mean these Terms and the letter of engagement to which these Terms are attached;
- references to the "Company" or "you" shall mean Longdog Investments plc, its members and employees (in their capacity as such) and the board or any independent committee of the board;
- references to "Transaction" and "Peterhouse" shall have the same meaning as set out in the letter attached to these Terms.

**2. Provision of services**

2.1. Any services provided by Peterhouse pursuant to this Agreement are, to the extent relevant to such services, subject to the rules, regulations, requirements, practices and guidelines of regulators for the time being in force, including, inter alia, the Financial Conduct Authority (the "FCA"), NEX Exchange Limited ("NEX Exchange") and the Panel on Takeovers and Mergers (the "Takeover Panel"), including;

2.1.1 the FCA Handbook as published by the FCA including, inter alia, the Listing Rules, the Prospectus Rules, the Disclosure and Transparency Rules and the Code of Market Conduct (together the "FCA Rules");

2.1.2 the NEX Exchange Growth Market Rules for Issuers and the Corporate Advisers Handbook (together the "NEX Exchange Rules");

2.1.3 the City Code on Takeover and Mergers as published by the Takeover Panel (the "Takeover Code"); and

2.1.4 all other applicable law and regulations of the United Kingdom and elsewhere, including, inter alia, the Companies Act 2006, the Criminal Justice Act 1993 and the Financial Services and Markets Act 2000 ("FSMA"),

and the Company agrees and accepts that the duties of Peterhouse to it will not restrict the freedom of Peterhouse to take all steps which Peterhouse considers to be necessary or desirable to comply with all such rules, regulations, requirements, practices, guidelines and law (together the "Applicable Regulations").

2.2. The Company acknowledges that Peterhouse is acting solely for the Company in relation to the subject matter of this Agreement and no one else and accordingly that Peterhouse will not be responsible to anyone other than the Company for providing the protections afforded to customers of Peterhouse or for providing advice in relation to or in connection with such subject matter.

2.3. The Company acknowledges and accepts that Peterhouse may be prohibited from disclosing, or that it may be inappropriate for Peterhouse to disclose, information to the Company by reason of law or duties of confidentiality owed to other persons or the FCA Rules.

**3. Matters outside the scope of this Agreement**

3.1. Unless there is prior written agreement between Peterhouse and the Company about the specific tasks involved and the related fees, Peterhouse shall not provide services outside the scope of this Agreement.

3.2. The duties and responsibilities of Peterhouse under this Agreement shall be limited to those expressly set out herein and, for the avoidance of doubt, shall not include Peterhouse:

- 3.2.1 giving tax, legal, accountancy or, other than as expressly set out in this Agreement, other specialist or technical advice or services; or
  - 3.2.2 giving advice on any aspects relating to regulatory requirements in or outside the United Kingdom other than the NEX Exchange Growth Market Rules for Issuers and, if relevant, the Prospectus Directive; or
  - 3.2.3 other than as expressly set out in this Agreement, giving general financial or strategic advice.
- 3.3. Peterhouse will assist in the co-ordination of due diligence work by other advisers instructed by the Company but will not be responsible for any work performed by persons other than Peterhouse. Peterhouse will itself carry out whatever due diligence it considers to be appropriate in the circumstances.
- 3.4. It is the responsibility of the Company to inform itself of the work performed by and the advice given by its other advisers.
- 3.5. The Company acknowledges that Peterhouse is not responsible for providing any legal advice to the Company in respect of any applicable laws and regulations and the Company undertakes to obtain appropriate legal advice in respect of these and to communicate to Peterhouse to the extent permitted on a “no liability” basis any such advice as is relevant to the carrying out of Peterhouse’s services hereunder.

#### **4. Authorities and consents of the Company**

- 4.1. The Company confirms and undertakes that (save as expressly disclosed to Peterhouse in writing) it has all necessary powers and has obtained all necessary authorisations, consents and approvals validly and lawfully which are necessary or desirable to enter into this Agreement and carry out the activities in respect of which Peterhouse’s services are to be provided and that it will comply with the terms of any such authorisations, consents, approvals and authorities and procure that the same will remain in full force and effect.
- 4.2. Peterhouse is authorised by the Company to do anything which, in its opinion, is reasonably necessary either to carry out this Agreement (including acting as the Company’s agent or, with the Company’s prior written consent, through agents), or to comply with any applicable laws, rules, regulations, authorisations, consents or practice as may reasonably be appropriate. The Company hereby agrees to ratify and confirm everything lawfully and reasonably done in the proper exercise of such authority and discretion.
- 4.3. The Company acknowledges and accepts that Peterhouse may be required by the Applicable Regulations or by regulatory agencies and authorities to disclose information and deliver documents relating to the Company and/or its directors in relation to Peterhouse’s engagement hereunder to the FCA, the NEX Exchange, other governmental or regulatory bodies or to a new corporate adviser appointed by the Company. The Company expressly authorises any such disclosure or delivery provided that, to the extent allowed, Peterhouse will provide the Company with prompt advance notice of any such obligations to disclose information.
- 4.4. Peterhouse is entitled to assume that instructions and information have been properly authorised by the Company if they are given or purported to have been given by an individual or person who is or purports to be and is reasonably believed by Peterhouse to be a Director, duly authorised employee or authorised agent of the Company.

#### **5. Legal and regulatory requirements**

- 5.1. The Company agrees to abide by all Applicable Regulations and to use all reasonable endeavours to procure that its Directors, officers, employees, servants and agents and, in the case of a transaction which is subject to the Takeover Code, its associates and any person with whom the Company or its



Directors may be deemed to be acting in concert (the expression "associates" and "acting in concert" having the meanings given in the Takeover Code) abide by all such Applicable Regulations.

- 5.2. The Company undertakes to obtain appropriate advice (including legal advice) in respect of all laws and regulations which may be applicable to it in the UK or any other jurisdiction in connection with any engagement and to communicate such advice to Peterhouse if, to the Company's reasonable knowledge, it is or may be relevant to the carrying out by Peterhouse of its services to the Company.

## **6. Provision of information**

- 6.1. The Company warrants that, save to the extent disclosed to Peterhouse prior to such disclosure, all information which it discloses to Peterhouse or its employees can be disclosed by it without breach of contract, law, regulation or the FCA's Code of Market Conduct.
- 6.2. The Company undertakes that it will promptly provide or procure the provision to Peterhouse of all information, confirmation and evidence (including, inter alia, the drafts of any relevant announcement or document which the Company intends to issue) which Peterhouse reasonably requires for the proper provision of its services under this Agreement and/or as may be required by Peterhouse to comply with the Applicable Regulations including (without limitation) information known to the Directors on (i) anything that affects or may affect the business affairs of the Company; (ii) anything which, once published or otherwise made known to the market, could reasonably be expected to affect the market in any of the securities of the Company; and (iii) the identities of all persons (other than Peterhouse) who are its associates or who are acting in concert with it (as defined in the Takeover Code) and that it will give to Peterhouse such information about their holdings and dealings in relevant securities as Peterhouse requires.
- 6.3. The Company shall warrant and represent that all information, confirmations and evidence provided by it to Peterhouse will be, to the best of its knowledge and belief, true and accurate and not misleading. Furthermore, if anything occurs within a reasonable time thereafter which renders any such information, confirmation, evidence and/or statements of opinion untrue or inaccurate or misleading, the Company will, as soon as practicable, notify Peterhouse and take all reasonable steps necessary to amend the information, confirmation, evidence or statement of opinion so as to rectify the matter.
- 6.4. Where specialist advice is obtained by the Company, Peterhouse shall be entitled to rely upon such advice without having any responsibility to verify its accuracy.

## **7. Publication of information**

- 7.1. The Company will use its best endeavours to ensure that all announcements and documents published or statements made (except oral statements made in response to questions in the course of a press conference, institutional briefing or similar event) by it or on its behalf in connection with, or materially relevant to, any transaction or matter connected with this Agreement, will only be made or published after prior consultation with Peterhouse and will be true and accurate in all material respects and not misleading, whether by omission or otherwise, and, where appropriate, will contain all information and expressions of opinion necessary for legal or regulatory purposes (including the requirements of the NEX Exchange Rules) and all such opinions will be honestly held and made after due and careful consideration and that there are no facts known the omission of which would make any such statements or expressions misleading.
- 7.2. Where, during the course of Peterhouse's engagement under this Agreement, the Company subsequently discovers something which renders such announcements, documents or statements untrue, unfair, inaccurate or misleading, it will notify Peterhouse at once and take all steps as Peterhouse may reasonably require to correct such announcement, statement or document.
- 7.3. Peterhouse may ask the Company for certain assurances relating to information contained in a document or announcement if the Company asks Peterhouse to issue or approve it, or arrange for its

issue, whether or not it is a financial promotion (as defined in section 21 of FSMA), and Peterhouse may require further information from the Company in order to do so. The Company agrees to provide Peterhouse with all assistance and information which Peterhouse may reasonably request to enable it to satisfy itself that the contents of any announcement made by Peterhouse on behalf of the Company or during the course of or pursuant to the appointment is not false or misleading and does not omit any material information. The Company will accept full responsibility for the contents of the document or announcement. The Company shall warrant and represent that all information which it provides to Peterhouse in connection with a document or announcement is true, complete and accurate in all material respects.

- 7.4. The Company acknowledges that Peterhouse retains the right to refuse to issue or approve, or arrange for the issue of, a particular document or announcement and to require the Company to cease to distribute a document or announcement which, in Peterhouse's reasonable opinion, has any connection with or potential effect on its appointment under this Agreement if at any time Peterhouse becomes aware of information which, in its opinion, renders the document or announcement untrue, incomplete or misleading in a material respect. The Company further acknowledges that Peterhouse will not approve real time financial promotions (as defined in the FSMA).
- 7.5. The Company agrees it will take such action as Peterhouse may reasonably request from time to time in connection with an announcement, including a request made by Peterhouse to make a particular announcement or a corrective announcement. If the Company fails to comply with Peterhouse's reasonable request to provide Peterhouse with assistance in relation to an announcement, Peterhouse may terminate the appointment forthwith in accordance with paragraph 16 (Termination) and make such announcement as it sees fit to clarify its position.

## **8. Use of materials**

- 8.1. Any reports, models or papers produced by Peterhouse for the Company, in draft and/or final form, will be for the exclusive use of the Company and not for distribution to other persons unless otherwise agreed by Peterhouse. The information contained in such reports, models and papers will not be used by Peterhouse for any purpose other than advising the Company.
- 8.2. All correspondence and papers in Peterhouse's possession or control relating to this Agreement or the subject matter of this Agreement shall be Peterhouse's sole property, save for original contracts, share certificates and other original documents held to the Company's order, but Peterhouse will not use any such correspondence or papers for any purpose other than advising the Company. The Company acknowledges the right of Peterhouse to retain copies of any documentation belonging to the Company should Peterhouse deem it necessary for the fulfilment of any legal or regulatory obligation.

## **9. Conflicts of interest**

- 9.1. Without prejudice to Rules 40 and 41 of the Corporate Advisers Handbook, the Company hereby acknowledges and agrees that, when Peterhouse gives the Company advice or provides other services in accordance with this Agreement, it or an associate or some other person connected with it or another client may have an interest, relationship or arrangement that is material in relation to the transaction or investment concerned. Peterhouse is under an obligation to maintain and operate effective organisational and administrative arrangements with a view to taking all reasonable steps to prevent conflicts of interest from constituting or giving rise to a material risk of damage to the interests of its clients. Where Peterhouse becomes aware that a conflict of interest has arisen or is likely to arise and its arrangements for the management of such conflict of interest are not sufficient to ensure with reasonable confidence that the risk of damage to the interests of clients will be prevented, it will inform the Company of the general nature and/or sources of the conflicts of interest, including sufficient detail, taking into account the nature of the Company, to enable the Company to take an informed decision with respect to the services to be provided by Peterhouse in the context of which the conflict of interest arises as soon as reasonably practicable, but will be under no obligation to provide details of the conflict. Thereafter, the parties will consult with a view to resolving a

satisfactory procedure in view of such conflict. However, the Company agrees that as a result of such conflict of interest Peterhouse may not be able to advise the Company and Peterhouse reserves the right to decline to arrange any transaction or give advice or make any accommodation to the Company.

- 9.2. The Company hereby acknowledges and agrees that Peterhouse shall be under no duty to disclose to the Company or use for the Company's benefit anything that may come to the attention of Peterhouse or any company or person associated with Peterhouse either in the course of rendering similar services to other customers (whether or not Peterhouse or any company or person associated with Peterhouse is involved in providing services to the Company or is separate from such persons by a Chinese wall) or in the event that such disclosure or use would be a breach of duty or confidence owed by Peterhouse to another person.

## **10. Confidentiality**

- 10.1. Except as provided in paragraph 10.2, the Company undertakes to, and undertakes to procure that its Directors, officers, employees and advisers shall, keep confidential the terms of this Agreement and all information, advice or communication that it has received or acquired from Peterhouse in the course of Peterhouse providing services pursuant to this Agreement and to use such information, advice or communication only for the purposes contemplated by this Agreement or as otherwise authorised by this Agreement or Peterhouse.
- 10.2. The undertaking in paragraph 10.1 shall not apply to any information:
- (a) which is or comes into the public domain (other than as a direct or indirect result of a breach of the undertaking in paragraph 10.1);
  - (b) which is required to be disclosed by law or by any regulatory or governmental body or securities exchange;
  - (c) which is disclosed to such professional advisers, consultants and employees of the Company as is reasonably necessary in connection with the appointment of Peterhouse pursuant to this Agreement, providing that the Company procures that the people to whom the information is disclosed keep it confidential as if they were a party hereto.
- 10.3. No reference to Peterhouse or to its advice is to be made in any publication made by the Company or on its behalf without the prior consent of Peterhouse, which is not to be unreasonably withheld or delayed, unless required by any legal or regulatory obligation.

## **11. Limitation of liability**

- 11.1. Peterhouse shall not be liable to the Company for any loss to the Company except to the extent that such loss is incurred as a direct or indirect result of gross negligence, wilful default or fraud of Peterhouse in the performance of the services under this Agreement.
- 11.2. The aggregate liability of Peterhouse to the Company in respect of any cost, loss, damage, claim and expenses suffered or incurred directly or indirectly by the Company as a result of the provision of the services under this Agreement by Peterhouse (including as a result of breach of contract, breach of statutory duty, tort (including negligence) or other act or omission by Peterhouse (but excluding any such cost, loss, damage, claim and expenses arising from fraud or in respect of liability which cannot lawfully be excluded or limited)) shall be limited to a multiple of three times the fees paid to Peterhouse pursuant to this letter.
- 11.3. Where any loss is suffered by the Company for which Peterhouse and any other person are jointly and severally liable to the Company, the loss recoverable by the Company from Peterhouse shall (notwithstanding paragraph 11.2 above) be limited so as to be in proportion to Peterhouse's relative contribution to the overall fault of Peterhouse, the Company and any other person in respect of the

loss in question.

- 11.4. If at any time, the Company agrees or has agreed that any of its other advisers may limit his, her or its liability to the Company, the Company will inform Peterhouse of this arrangement as soon as reasonably practicable, and Peterhouse shall not be liable to the Company for more than it would have been liable if such other adviser(s) had not limited his, her, it's or their liability. Accordingly, Peterhouse is not liable to the Company for more than the net amount for which Peterhouse would have been liable after deducting the amount for which any other adviser(s) would have been liable in contribution proceedings if the other adviser(s) had not limited his, her, its or their liability and the Company shall indemnify Peterhouse and each Relevant Person in respect of any increased liability to any third party which would not have arisen in the absence of such exclusion or limitation. For the avoidance of doubt, the Company agrees that, if it alleges that Peterhouse is liable to the Company and Peterhouse believes that another person should be liable to the Company also and/or instead, nothing in this Agreement limits the right of Peterhouse to claim that the other person is liable to the Company (including on account of a right of contribution).
- 11.5. Nothing in this Agreement shall operate so as to restrict or exclude any liability of Peterhouse in respect of any breach of its duties under the NEX Exchange Rules or the Regulatory System (as defined in the FCA Rules).

## **12. Indemnity**

- 12.1. No claim shall be made against any Relevant Person to recover any loss or damage which the Company or any of its shareholders, Directors, officers, agents or employees or any other person may suffer or incur by reason of or arising out of the carrying out by Peterhouse, or on its behalf, of any obligations or services (or exercise of rights) under this Agreement or otherwise in connection with the appointment hereunder or Peterhouse's role as the Company's NEX Exchange Corporate Adviser unless and to the extent that such loss or damage is finally determined by a court of competent jurisdiction to have resulted from the gross negligence, wilful default or fraud of such Relevant Person or any material breach by Peterhouse of its obligations under this Agreement or any material breach by any Relevant Person of its duties and obligations under the rules set out in the FCA Handbook or under the Regulatory System (as determined by the appropriate regulatory authority). In the event that Peterhouse is liable to pay damages for any losses, such damages shall be limited to that proportion of the Company's actual loss which was directly caused by Peterhouse or any Relevant Person.
- 12.2. The Company undertakes with Peterhouse for itself and, on the basis that it shall enjoy an absolute discretion as to the enforcement of any claim under the terms of this paragraph 12, as trustee for each of its associates (being its Directors, employees, officers or agents of each or any of them and Peterhouse and its associates each being a 'Relevant Person') to hold each Relevant Person fully and effectively indemnified from and against all losses, claims, expenses, damages, liabilities, actions, demands, proceedings and judgements made, brought or threatened against any Relevant Person (whether or not successful, compromised or settled) in any jurisdiction by any person, governmental agency or regulatory body whatsoever and against all liabilities, losses, damages, charges, costs and expenses which any Relevant Person may pay, suffer or incur (including, but not limited to, those paid, suffered or incurred in investigating, responding to and/or disputing and/or appealing against any claim, action or demand and/or in establishing its right to be indemnified pursuant to this paragraph 12 and seeking advice in respect of any of the same and whether or not resulting in liability on the part of Peterhouse or such other Relevant Person) and which in any such case arises, directly or indirectly, out of or is attributable to or would not have arisen but for the carrying out or performance by Peterhouse, or on its behalf, of any obligations or services (or exercise of rights) under this Agreement in connection with either appointment hereunder (including, without limitation, the approval, publication or distribution by Peterhouse on behalf of the Company of any financial promotion pursuant to section 21 of FSMA) unless and to the extent that the same is finally determined by a court of competent jurisdiction to have resulted from the gross negligence, wilful default or fraud of Peterhouse or any material breach by Peterhouse of its obligations under this Agreement or any material breach by any Relevant Person of its obligations under the rules set out in

the FCA Handbook or the regulatory system to which such Relevant Person is subject to under FSMA (as determined by the appropriate regulatory authority).

- 12.3. If Peterhouse shall become aware of any matters or circumstances giving rise to any actual or potential claim by Peterhouse or any or all of the Relevant Persons against the Company under the indemnity contained in this paragraph 12, Peterhouse shall give written notice thereof to the Company and enter into and thereafter maintain consultation with the Company on all material aspects of the matters or circumstances giving rise to the actual or potential claim (subject to Peterhouse being indemnified to its reasonable satisfaction against all costs, damages and expenses thereby incurred and Peterhouse being satisfied (in its reasonable opinion) that the reputability or standing of Peterhouse or any other Relevant Person subject to the claim would not be adversely affected thereby and subject to the terms of any relevant insurance policy) and shall have regard to (but, for the avoidance of doubt, shall not be bound to comply with) any written representations which the Company may make in relation thereto.
- 12.4. The Company agrees that it will not, without the prior written consent of Peterhouse settle or compromise or consent to the entry of any judgement with respect to any pending or threatened claim in respect of which indemnification may be sought under this paragraph 12 (whether or not Peterhouse is an actual or potential party to such claim) unless such settlement, compromise or consent includes an unconditional release of Peterhouse from all liabilities arising out of such claim.
- 12.5. Each Relevant Person shall have the right under the Contracts (Rights of Third Parties) Act 1999 to enforce its rights against the Company under paragraph 12.2 of this Agreement notwithstanding that such Relevant Person is not a party to this Agreement provided that such Relevant Person must obtain the written consent of Peterhouse before it may bring proceedings to enforce the terms of paragraph 12.2 and, save to the extent notified in writing by Peterhouse to the Relevant Person, Peterhouse (without obligation) shall have the sole conduct of any such action on behalf of any Relevant Person and Peterhouse and the Company agree that this Agreement may be amended by the parties hereto without the consent of any such Relevant Person.
- 12.6. The provisions of this paragraph 12 shall survive the termination of this Agreement and shall be in addition to, and shall not be construed to limit, affect or prejudice, any other right or remedy available to Peterhouse or any Relevant Person.
- 12.7. The indemnities set out in this Agreement shall be in addition to and not be construed to limit, affect or prejudice any other right or remedy available to Peterhouse or any Relevant Person and any such indemnities shall be enforceable by it only to the extent that such enforcement is not prohibited under the rules of the FCA Handbook.
- 12.8. All sums payable under the indemnity in paragraph 12.2 shall be paid free and clear of all deductions or withholdings save as may be required by law. Should any amount paid or payable under this paragraph 12 to Peterhouse or any of the Relevant Persons be itself subject to tax in the hands of the recipient or be required to be paid under any deduction or withholding, the Company shall pay such sum as will after any such tax, deduction or withholding leave the recipient with the same amount as he would have had if no such tax had been payable and no deduction or withholding had been made, and such payments and adjustments shall be made as may be necessary to give effect to this paragraph 12.8.

### **13. Money laundering**

You authorise Peterhouse to make such enquiries and obtain such references as it may consider necessary to fulfil its statutory obligations under the UK Money Laundering legislation or under FCA Rules. You also authorise Peterhouse to make such further enquiries and obtain such further references as it may from time to time consider necessary for continuing compliance with its statutory obligations under such legislation or under FCA Rules.

**14. Complaints**

All complaints should be submitted in writing to Peterhouse for the attention of the Compliance Officer. Any such correspondence will be acknowledged within 48 hours of receipt. A copy of Peterhouse's internal complaints procedure is available upon request.

**15. Compensation**

In the event that Peterhouse ceases to do business and cannot meet its liabilities, compensation may, in the event that the Company has a claim against Peterhouse, be available to the Company from The Financial Services Compensation Scheme (depending on the type of business and the circumstances of the claim). Such compensation will normally cover 100% of the first £30,000 of any claim and 90% of the next £20,000 of any claim making a maximum of £48,000. Please contact Peterhouse for further information. Further information is also obtainable from the FCA, 25 The North Colonnade, Canary Wharf, London E14 5HS or from the Financial Services Compensation Scheme, 7th Floor, Lloyd's Chambers, 1 Portsoken Street, London E1 8BN.

**16. Termination**

16.1. This Agreement may be terminated by the mutual written consent of both parties.

16.2. Peterhouse may terminate this agreement at its own discretion if, in its reasonably held opinion, it will not be possible to complete the Transaction whether by reason of a change in circumstance at the Company, the stock market, the general economic environment or otherwise.

16.3. If either party hereto shall become aware of any material breach by the other party (or any officer thereof) of any of their respective obligations under (i) this Agreement or (ii) any other agreement in force between the Company and Peterhouse or (iii) the Applicable Regulations, Peterhouse and the Company shall consult with each other as to the action to be taken in order to remedy such breach and/or to avoid future breaches of a similar nature. If the matter giving rise to such breach shall not be dealt with to the reasonable satisfaction of the other party in this manner and the breach is material, then the party not in breach may terminate this agreement by giving notice in writing.

16.4. Without prejudice to and notwithstanding the above Peterhouse shall be entitled to terminate this Agreement forthwith if:

16.4.1 the Company is in material breach of its obligations under (i) this Agreement or (ii) any other agreement in force between the Company and Peterhouse or (iii) the Applicable Regulations such that Peterhouse considers that Peterhouse's reputation and/or goodwill may be adversely affected as a result of the engagement set out in this Agreement continuing to have effect; or

16.4.2 there has been any material or persistent breach by the Company of its obligations under (i) this Agreement or (ii) any other agreement in force between the Company and Peterhouse or (iii) the Applicable Regulations or (iv) any other law or regulation to which the Company is subject and (where capable of remedy) the relevant matter has remained un-remedied to the reasonable satisfaction of Peterhouse for five Business Days after the Company has received a request for remedy from Peterhouse; or

16.4.3 any warranty or undertaking made to Peterhouse or to the NEX Exchange or the Takeover Panel or any other regulatory authority by or on behalf of the Company in or in connection with this Agreement is untrue, inaccurate or misleading in any material respect; or

16.4.4 in the reasonable opinion of Peterhouse, there has occurred a material adverse change in the business of or in the financial or trading position of the Company and its subsidiary undertakings taken as a whole; or

- 16.4.5 the Company does not pay any sum payable under this Agreement within 21 days of written notice that it remains unpaid; or
  - 16.4.6 the Company shall conduct itself (including in relation to the provision to or access by Peterhouse of relevant information in relation to the Company and/or any of the Directors) in a manner which Peterhouse (acting reasonably) considers may lead to Peterhouse not complying or becoming unable to comply with any of the obligations imposed on it by the Applicable Regulations; or
  - 16.4.7 the Company fails to follow the advice given by Peterhouse in respect of any Applicable Regulations after consultation with the Company and Peterhouse's legal advisers such that in the reasonable opinion of Peterhouse, such failure could jeopardise or damage the reputation of Peterhouse; or
  - 16.4.8 any Director of the Company commits a fraudulent act, or any material breach of the Applicable Regulations, or any other laws or regulations to which the Directors are subject from time to time.
- 16.5. This Agreement shall terminate forthwith if:
- 16.5.1 the Company becomes insolvent or has any winding-up, receivership or administrative order made in respect of it, or makes or seeks to make any arrangement with its creditors or passes a resolution for its winding-up or a petition is presented for its winding-up or administration, or other event that Peterhouse, in its absolute discretion, considers to be an analogous event in any jurisdiction (save where such event is for the purposes of a reconstruction or amalgamation while solvent on terms previously approved in writing by Peterhouse);
  - 16.5.2 Peterhouse becomes insolvent or has any winding-up, receivership or administrative order made in respect of it, or makes or seeks to may any arrangement with its creditors or passes a resolution for its winding up or a petition is presented for its winding-up or administration; or
  - 16.5.3 Peterhouse ceases to be authorised and regulated by the FCA in respect of those activities which it undertakes in the performance of its obligations under this Agreement which are regulated activities for the purposes of section 22(1) of FSMA.
- 16.6. The Company shall notify Peterhouse without delay upon becoming aware of the occurrence of any event set out in paragraphs 16.4 or 16.5 of this Agreement (the "Termination Event") or any event or circumstance which may reasonably be expected to give rise to such a Termination Event and Peterhouse shall notify the Company immediately upon becoming aware of an event set out in paragraph 16.5.3.
- 16.7. Termination of this Agreement shall be without prejudice to:
- 16.7.1 the completion by the Company of any outstanding contracts entered into by Peterhouse on behalf of the Company pursuant to this Agreement prior to the giving by Peterhouse or receipt by Peterhouse of a notice to terminate this Agreement; and
  - 16.7.2 any accrued rights and liabilities including in particular (i) the Company's liability for fees earned and expenses incurred by Peterhouse at the date of termination, (ii) in the case of termination by the Company other than as a result of the negligence or wilful default of Peterhouse or the failure of Peterhouse to comply with all relevant laws, rules and regulations (particularly those of the FCA, and the Corporate Advisers Handbook), the right of Peterhouse to the fees set out in paragraph 3 above.

**17. Notices**

17.1. A notice given under this agreement:

- (a) shall be sent for the attention of the person, and to the address or fax number, specified in this paragraph 17 (or such other address, fax number or person as each party may notify to the others in accordance with the provisions of this paragraph 17); and
- (b) shall be:
  - (i) delivered personally;
  - (ii) sent by email;
  - (iii) sent by pre-paid first-class post or recorded delivery; or
  - (iv) (if the notice is to be served by post outside the country from which it is sent) sent by international courier.

17.2. The addresses for service of notice are:

- (a) for Peterhouse:
  - (i) address: Peterhouse Corporate Finance Limited, 15 Eldon Street, London EC2M 7LD
  - (ii) for the attention of: The Managing Director
  - (iii) email number: info@peterhousecap.com
- (b) for the Company:
  - (i) address: 12 Cherrywood Drive, London, SW15 6DS
  - (ii) for the attention of: Melissa Sturgess
  - (iii) email: melissa.j.sturgess@gmail.com

17.3. A notice is deemed to have been received:

- (a) if delivered personally, at the time of delivery;
- (b) in the case of fax, at the time of transmission;
- (c) in the case of pre-paid first class post or recorded delivery, two Business Days from the date of posting;
- (d) in the case of international courier, three Business Days from date of posting; or
- (e) if deemed receipt under the previous paragraphs of paragraph 17.3 is not within business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of receipt), when business next starts in the place of receipt.

17.4. To prove service, it is sufficient to prove that the notice was transmitted by fax to the fax number of the party or, in the case of post, that the envelope containing the notice was properly addressed and posted.

**18. Miscellaneous**

18.1. Assignment

Neither party may assign the benefit of this Agreement without the prior written consent of the other, except that Peterhouse may assign the benefit of this Agreement to any parent company or subsidiary of Peterhouse or any subsidiary of such parent company. This Agreement shall be binding upon and endure for the benefit of the respective personal representatives, heirs, successors and assigns of the parties.



18.2. Agents and other advisers

In providing services to you, Peterhouse may act through sub-agents including companies connected with it whose fees shall be included in the fees payable pursuant to this Agreement.

18.3. Counterparts

This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart. Each counterpart shall constitute an original of the Agreement, but all the counterparts shall constitute one and the same instrument

18.4. Communications

The Company agrees that, in the course of advising it day to day, Peterhouse may communicate with the Company and other persons involved in any transaction with the Company by any means, including in meetings, over the telephone and by electronic mail (unless, until and to the extent that the Company notifies Peterhouse in writing that it must not communicate by a specified means). The Company acknowledges and accepts that oral communications may be recorded and that postal, courier, telephone, fax or electronic communications may not be secure and may be subject to unauthorised interception, delay or data corruption. Accordingly, Peterhouse does not accept any liability whatsoever in relation to the use or attempted use of these or any other means of communication and the Company agrees not to make (and the Company waives) any such claim accordingly.

18.5. Recording of calls

Peterhouse may record telephone calls. These records (if made) will be the sole property of Peterhouse and will be evidence of orders or instructions given by the Company. Any recordings shall be the property of and may be retained by Peterhouse.

18.6. Data Protection Act

Peterhouse may process by computer or otherwise any information obtained about the Company as a consequence of this and any other agreement the Company may enter into with Peterhouse. Peterhouse may share this information with third parties where it reasonably believes it is suitable for the Company's requirements. All information held by Peterhouse is and shall remain the property of Peterhouse and shall be retained in accordance with the rules of the Data Protection Act 1998 (as amended).

18.7. Entire Agreement

This Agreement sets out the entire agreement between the Company and Peterhouse in connection with the appointment of Peterhouse as adviser to the Company in respect of the Transaction (as defined in the letter attached to these Terms). In the event of any conflict between these Terms and the letter of engagement to which these Terms are attached, the former shall prevail.

18.8. Partial validity

If any provision of this Agreement contravenes the applicable regulations or law or shall be declared void or unenforceable by a Court or administrative body of competent jurisdiction, the validity of the remaining provisions of this Agreement shall not be affected thereby.

18.9. Contracts (Rights of Third Parties) Act 1999

Save as provided in paragraph 12, the Contracts (Rights of Third Parties) Act 1999 shall not apply to this Agreement and unless specifically herein provided, no person other than the parties to this

Agreement shall have any rights under it.

18.10. Variation

No purported variation of this Agreement shall be effective unless made in writing and signed by each of the parties to this Agreement.

18.11. Exercise of Rights

No neglect, indulgence, failure to exercise or delay by either party in exercising any right or remedy under this Agreement shall constitute a waiver of such right or remedy and no single or partial exercise of any right or remedy under this Agreement shall preclude or restrict any other or future exercise of such right or remedy or the exercise of any other right of remedy. The rights and remedies contained in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

18.12. Force Majeure

In the event of any failure, interruption or delay in the performance of Peterhouse's obligations hereunder resulting from acts, events or circumstances not reasonably in Peterhouse's control, including, but not limited to, industrial disputes, acts or regulations of any governmental or supranational bodies or authorities, breakdown, failure or malfunction of any telecommunications or computer services, Peterhouse will not be liable or have any responsibility of any kind for any loss or damage incurred or suffered by the Company as a result thereof.

18.13. Publicity

Unless advised to the contrary, Peterhouse may nominate the Company for inclusion as a client of Peterhouse in reputable financial advisory and other directories. The Company agrees to consent to its inclusion therein.

**19. Law and jurisdiction**

19.1. This Agreement shall be governed by and construed in accordance with the Laws of England and Wales.

19.2. **The parties irrevocably submit to the non-exclusive jurisdiction of the court of England and Wales in respect of any claim, dispute or difference arising out of or in connection with this Agreement provided that nothing contained in this paragraph shall be taken to have limited the right of Peterhouse to proceed in the courts of any other competent jurisdiction.**