

DATED 5 AUGUST 2020

- (1) **NETSCIENTIFIC PLC**
- (2) **WH IRELAND LIMITED**

PLACING AGREEMENT

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THIS AGREEMENT is made on 5 August 2020

BETWEEN:

- (1) **NETSCIENTIFIC PLC**, a company incorporated under the laws of England and Wales with company number 08026888 whose registered office is at C/O Wilkins Kennedy LLP Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Buckinghamshire, HP6 6FA (the **Company**); and
- (2) **WH IRELAND LIMITED**, a company incorporated under the laws of England and Wales with company number 02002044 whose registered office is at 24 Martin Lane, London, EC4R 0DR (the **Placing Agent**),

BACKGROUND

- (A) The Company is intending to acquire all of the issued share capital of EMV Capital Ltd (company number 11412783) (the **Acquisition**) in an all-share transaction.
- (B) The Company is also undertaking a Capital Reorganisation pursuant to which the existing Ordinary Shares will be sub-divided and consolidated such that there will be 7,856,187 Ordinary Shares in issue following the Capital Reorganisation and prior to the Acquisition and Placing and up to 14,916,122 Ordinary Shares in issue at Admission.
- (C) As part of the Acquisition, 3,521,480 new Ordinary Shares of £0.05 each in the capital of the Company are due to be issued to Futura Messis Group Ltd (following the proposed Capital Reorganisation of the share capital of the Company as set out in the Circular).
- (D) Up to 3,538,455 new Ordinary Shares of £0.05 each in the capital of the Company are due to be issued pursuant to the Placing (following the proposed Capital Reorganisation of the share capital of the Company as set out in the Circular).
- (E) The Company is seeking admission of the New Ordinary Shares to the AIM market of the London Stock Exchange.
- (F) The Company has agreed to appoint the Placing Agent to procure Placees for the Placing Shares in connection with the Placing and proposed Admission in accordance with the terms of this Agreement.
- (G) In reliance on the various Warranties and indemnities set out in this Agreement and subject to the conditions contained in this Agreement and the Placing Documents, the Placing Agent has conditionally agreed, as agent for the Company, to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price and to submit an application for Admission of the New Ordinary Shares to AIM.

NOW IT IS HEREBY AGREED as follows:

1 DEFINITIONS

1.1 In this agreement the following words and expressions shall have the following meanings:

Accounts Date	31 December 2019;
Acquisition	the acquisition by the Company of the entire issued share capital of EMV Capital;
Acquisition Agreement	the conditional agreement entered into between the Company, Futura Messis and Dr Iliev in relation to the Acquisition dated on or about the date of this Agreement;
the Act	the Companies Act 2006;
Admission	the admission of the Placing Shares and the Consideration Shares to trading on AIM becoming effective in accordance with the AIM Rules;
Admission Condition	has the meaning given to in clause 2.1.15;
AIM	AIM, a market operated by the London Stock Exchange;
AIM Rules	the AIM rules for companies published by the London Stock Exchange (as amended from time to time) together with any guidance notes as published by the London Stock Exchange from time to time;
Announcement	the announcement of the conditional Placing through an accelerated book-build process including the terms and conditions of the Placing in the agreed form;
Application Form	the application form to be completed by the Company and submitted to the London Stock Exchange for Admission in

	accordance with Rule 5 of the AIM Rules;
Articles	the articles of association of the Company;
Board	the board of directors of the Company for the time being or a duly authorised committee of it;
Bribery Act	the Bribery Act 2010;
Business Day	a day which is not a Saturday, Sunday or bank holiday on which clearing banks in the City of London are open for the transaction of normal sterling banking business;
Capital Reorganisation	the sub-division and the consolidation of the Company's share capital as further described in paragraph 6 of Part I of the Circular;
Circular	the circular to be sent by the Company to the Shareholders in connection with Admission, the Rule 9 Waiver, Capital Reorganisation and the Placing including, amongst other things, a letter from the chairman of the Company and a notice convening the General Meeting;
Circular Verification Notes	the verification notes incorporating the answers thereto substantiating the accuracy of the information contained in the Circular and the Announcement;
Company Accounts	the audited, consolidated balance sheet, profit and loss account and cash flow of the Company (including all related notes and the directors' and auditors' reports) for the financial year ended on the Accounts Date;
Company's Solicitors	Stephenson Harwood LLP;

Concert Party	Dr Iliev, Futura Messis, Melvin Lawson, AB Group, A Beckman SSAS and the Lawson Beckman Charitable Trust (each as defined in the Circular);
Conditions	the conditions contained in clause 2.1;
Consideration Shares	the 3,521,480 Ordinary Shares to be allotted and issued by the Company to the Seller pursuant to the Acquisition (on the basis that the Capital Reorganisation has become effective);
CREST	the settlement system of which Euroclear is the Operator;
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended);
CTA 2010	the Corporation Tax Act 2010;
Directors	(means the directors of the Company, and each of them being a Director ;
Disclosure Guidance and Transparency Rules	the Disclosure Guidance and Transparency Rules made by the FCA under Part VI of FSMA from time to time;
EMV Capital	EMV Capital Limited, a company incorporated in England and Wales with company number 11412783 whose registered office address is One Canada Square Level 39, One Canada Square, London, E14 5AB;
EMV Capital Group	EMV Capital and its subsidiaries from time to time;
Encumbrance	any encumbrance or security interest of any kind whatsoever including (without limitation) a mortgage, charge, pledge, lien,

hypothecation, restriction, right to acquire, right of pre-emption, option, conversion right, third party right or interest, right of set off or counterclaim, trust, arrangement or other type of preferential agreement (such as a retention of title agreement) having similar effect;

Engagement Letter

the engagement letter between the Placing Agent and the Company dated 18 May 2020;

Euroclear

Euroclear United Kingdom and Ireland Limited being the Operator of CREST;

FCA

the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part IV of FSMA;

FSA 2012

the Financial Services Act 2012;

FSMA

the Financial Services and Markets Act 2000 (as amended);

Futura Messis

Futura Messis Group Ltd, a company incorporated in England and Wales with company number 11830545 whose registered office is situated at 10 Jesus Lane, Cambridge CB5 8BA and which is owned by Dr Iliev;

General Meeting

the general meeting of the Company to be held on 24 August 2020, notice of which is set out in the Circular;

Group

the Company and its Subsidiaries from time to time and "**Group Company**" means any of them (notwithstanding the fact that at the date of this agreement such entities are not in a corporate group);

HMRC	Her Majesty's Revenue & Customs and its predecessors, the Inland Revenue and Her Majesty's Customs and Excise (as appropriate);
Indemnified Persons	<p>(a) the Placing Agent and every entity which is a parent undertaking of the Placing Agent or any subsidiary undertaking of, and every entity owned by, the Placing Agent or any such parent undertaking from time to time; and</p> <p>(b) every person who is a director, officer or employee of every entity referred to in paragraph (a) above from time to time;</p>
Independent Shareholders	shareholders who are independent of a person who would otherwise be required to make a Rule 9 Offer and any person acting in concert with him or her (as defined by the Takeover Code) which, for the purposes of the Rule 9 Waiver, does not include members of the Concert Party or existing Shareholders who participate in the Placing;
Intellectual Property Rights	all inventions (whether patentable or not), patents, utility models, supplementary protection certificates, designs (both registered and unregistered and including rights in semiconductor topographies), copyright, database rights, trade and service marks (both registered and unregistered), together with all applications for, rights to the grant of and extensions of the same, and all other intellectual property including, but not limited to, all similar or analogous rights throughout the world, in each case for the full term of the relevant rights;
ITA	the Income Tax Act 2007;

ITEPA	the Income Tax (Earnings and Pensions) Act 2003;
London Stock Exchange	London Stock Exchange plc;
Long Stop Date	30 November 2020;
Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;
Material Contracts	contracts (not being contracts entered into in the ordinary course of business) which have been entered into by the Company or any of its subsidiaries within the two years immediately preceding the date of the Circular, as disclosed in paragraph 8 of Part II of the Circular;
New Ordinary Shares	the Consideration Shares and the Placing Shares;
Operator	has the meaning ascribed to it in the CREST Regulations;
Option Grant	the proposed grant of options to Dr Ilian Iliev as described in the Circular;
Ordinary Shares	the ordinary shares of £0.05 each in the capital of the Company;
Panel	The Panel on Takeovers and Mergers;
PAYE	the system prescribed by Tax legislation with respect to the assessment, charge, collection and recovery of: <ul style="list-style-type: none"> (a) income tax in respect of all PAYE income (as defined in s.683 ITEPA); and

(b) primary National Insurance contributions;

Placees	persons who agree conditionally to subscribe for the Placing Shares;
Placing	the placing by the Placing Agent of the Placing Shares on the terms and subject to the conditions of the Placing Documents;
Placing Documents	the Presentation, the Circular and the Announcement;
Placing Price	the price of 65 pence per Ordinary Share at which the Placing Shares are to be placed pursuant to the Placing;
Placing Shares	up to 3,538,455 new Ordinary Shares to be issued in connection with the Placing;
Presentation	the investor presentation in the agreed form made by the Company to prospective Placees;
Presentation Verification Notes	the verification notes incorporating the answers thereto substantiating the accuracy of the information contained in the Presentation;
Press Announcement	press announcement relating to the Placing, Acquisition and Admission in the agreed form;
Previous Announcements	means all documents issued and announcements made by or on behalf of the Group to any stock exchange or via a Regulatory Information Service;
Prospectus Rules	the Prospectus Rules published by the FCA from time to time;

Registrars	Neville Registrars Limited of Neville House, Steelpark Road, Halesowen, B62 8HD;
Regulatory Information Service	any of the services set out in the list maintained by the London Stock Exchange as set out in the AIM Rules;
Relationship Agreement and Lock-in	the conditional agreement between the Company, the Placing Agent and the Concert Parties regulating the relationship between them following Admission and including undertakings to the Company and the Placing Agent from certain of the Concert Parties;
Relief	any loss, relief, allowance, credit, deduction, exemption, set off or right to repayment in respect of Tax or relevant to the computation of any income, profits or gains for the purposes of any Tax including, without limitation, any deduction in computing income, profits, gains for the purposes of any Tax;
Resolutions	the resolutions to be proposed at the General Meeting relating to the Placing and the Rule 9 Waiver as set out in the notice convening the General Meeting contained in the Circular;
Rule 9 Offer	a general offer under Rule 9 of the Takeover Code;
Rule 9 Waiver	the proposed waiver by the Panel of the obligation of the Sellers and the Concert Parties to make a Rule 9 Offer, which would otherwise arise as a consequence of the Acquisition and the Placing or the issue of Ordinary Shares pursuant to the Option Grant, conditional upon approval by Independent Shareholders in accordance with the Takeover Code by the passing of

the Whitewash Resolution;

Securities Act

US Securities Act of 1933

Seller

Futura Messis;

Subsidiary

a subsidiary or a subsidiary undertaking as defined in sections 1159 or 1162 of the Act, respectively, and in interpreting those sections for the purposes of this Agreement, a company is to be treated as a member of a subsidiary or a subsidiary undertaking as the case may be even if its shares are registered in the name of (i) a nominee, (ii) any party holding security over those shares, or that secured party's nominee (and **Subsidiaries** shall be construed accordingly);

Takeover Code

the City Code on Takeovers and Mergers (as amended from time to time);

Taxation or Tax

(a) all forms of taxation, duty, impost, levy, tariff, rates, charge, contribution, deduction and withholding in the nature of tax whenever imposed, whether in the UK, US or elsewhere, including without limitation amounts payable under PAYE, any amounts payable pursuant to Chapter 3 Part 10 CTA 2010, any balancing payment (within the meaning of Chapter 6 Part 4 TIOPA) and any charge under s.208 Finance Act 2004 and any amount payable in respect of, or an account of, any of the foregoing; and

(b) any penalty, charge, surcharge, fine or interest payable in connection with any amount falling within paragraph (a) or in connection with any non-compliance, or delay in complying,

with any legislative requirement relating to the administration or collection of any taxation, duty, impost, levy, tariff, rates, charge, contribution, deduction or withholding mentioned in paragraph (a);

Tax Authority	HMRC, the US Internal Revenue Service and any other governmental, state, federal, provincial, local governmental or municipal authority, body or official, whether of the UK or elsewhere, in the world competent to impose, administer or collect Tax;
Tax Liability	any liability to make any payment (or increased payment) of or in respect of United Kingdom Tax, whether or not such payment is primarily payable by a Group Company and whether or not a Group Company has or may have any right of reimbursement from any other person;
Tax Warranties	means the warranties, undertakings and representations given by the Company pursuant to clause 8 and paragraph 7 of Schedule 1 of this Agreement and Tax Warranty shall mean any of them;
Termination Condition	has the meaning at clause 2.1.13;
TIOPA	the Taxation (International and Other Provisions) Act 2010;
Total Proceeds	the total gross proceeds raised through the Placing;
UK	the United Kingdom of Great Britain and Northern Ireland;
US or United States	the United States of America;

VAT	United Kingdom value added tax and any replacement, additional or supplementary charge or tax;
VATA	the Value Added Tax Act 1994;
Verification Notes	the Circular Verification Notes and the Presentation Verification Notes;
Waiver Conditions	has the meaning at clause 2.1.6;
Waiver Resolution	the ordinary resolution of the Independent Shareholders to approve the Rule 9 Waiver, to be proposed at the General Meeting and set out as Resolution 1 in the Notice;
Warranties	the warranties and undertakings given by the Company pursuant to clause 8.1 and Schedule 1 and Warranty shall be construed accordingly; and
Warranty Confirmation Certificate	the certificate in the form set out in Schedule 3.

1.2 In this Agreement, including its Schedules:

- 1.2.1 any reference to a document in the agreed form means in the form agreed between the Company and the Placing Agent and initialled by or on behalf of each of them for the purpose of identification;
- 1.2.2 “material” and “materially” means material to the Placing Agent in the context of the Placing or Admission;
- 1.2.3 references to hours of the day are to the time as it is in England and any cross-reference to a particular time mentioned elsewhere in this Agreement is to such time on the relevant date;
- 1.2.4 headings are for convenience only and do not affect the construction of this Agreement;
- 1.2.5 references to clauses or Schedules are to the clauses of this Agreement and to the Schedules to this Agreement, unless otherwise stated;

- 1.2.6 words denoting the singular include the plural and vice versa, words importing gender include all genders and words denoting persons include corporations, unincorporated associations and partnerships;
- 1.2.7 words and expressions defined in the Act have the same meanings in this Agreement, except where the context requires otherwise;
- 1.2.8 any statement or Warranty qualified by reference to the awareness, knowledge, information and/or belief of any person or any other similar expression is deemed to include anything of which that person or persons have knowledge or would have had knowledge had they made due and careful enquiry in the context of the Placing;
- 1.2.9 references to any statute or statutory provision include any amendment to or re-enactment or modification or extension of it (whether before or after the date of this Agreement), any statutory provision of which it is a re-enactment (whether with or without modification) and any orders, regulations, instruments or other subordinate legislation made under it; and
- 1.2.10 references to any statute or statutory provision (including but not limited to those relating to Tax) in the UK shall include, without limitation, any equivalent or nearest equivalent thereof in Delaware and in any other relevant jurisdiction and references to any governmental, state, federal, provincial, local governmental or municipal authority, body or official of the UK shall include, without limitation, any equivalent or nearest equivalent authority, body or official in Delaware and in any other relevant jurisdiction.

2 CONDITIONS

- 2.1 The obligations of the Placing Agent under this Agreement are conditional upon:
 - 2.1.1 the release of the Announcement to a Regulatory Information Service by no later than 4.30 p.m. on 5 August 2020;
 - 2.1.2 the passing of all of the Resolutions (other than the Waiver Resolution) by Shareholders;
 - 2.1.3 the publication of an announcement announcing the results of the Placing through a Regulatory Information Service by no later than 4.30 p.m. on 5 August 2020 (or such later time and/or date as may be agreed in writing between the Company and the Placing Agent);
 - 2.1.4 the posting by no later than 6 August 2020 (by first class pre-paid mail) of the Circular to Shareholders and such other persons (if any) entitled to receive the Circular in accordance with the Company's articles of association;
 - 2.1.5 the Takeover Panel providing a Rule 9 Waiver, subject to the Waiver Resolution being approved by Independent Shareholders;

- 2.1.6 the passing of the Waiver Resolution by Independent Shareholders (together with the condition in clause 2.1.5, the **Waiver Conditions**);
 - 2.1.7 the Application Form and all other documents required to be submitted in connection with Admission being delivered by or on behalf of the Company to the London Stock Exchange in accordance with the AIM Rules by not later than 5.00pm on 20 August 2020;
 - 2.1.8 the Company having complied with all its obligations under this Agreement to the extent that such obligations fall to be performed or satisfied on or prior to Admission;
 - 2.1.9 the Company delivering to the Placing Agent the documents listed in Schedule 2 by no later than the date of this Agreement;
 - 2.1.10 none of the Warranties being untrue, inaccurate or misleading in any material respect at any time between the date of this Agreement and Admission and the delivery by the Company to the Placing Agent of the duly executed Warranty Confirmation Certificate on the Business Day (and by no later than 5.00pm on that day) immediately preceding the date of Admission;
 - 2.1.11 the Company having paid to the London Stock Exchange such charges as may be applicable in connection with the Admission;
 - 2.1.12 the authority given in clause 4 remaining in full force and effect;
 - 2.1.13 the Placing Agent not having duly exercised any of its rights to terminate this Agreement pursuant to clause 11 (the **Termination Condition**);
 - 2.1.14 the Consideration Shares and the Placing Shares being allotted, conditional only on Admission in accordance with the terms of this Agreement;
 - 2.1.15 Admission becoming effective on or before 8.00am on 25 August 2020 (or such later date as the Placing Agent and the Company may agree but in any event not later than 5.00pm on the Long Stop Date) (the **Admission Condition**); and
 - 2.1.16 the Acquisition Agreement remaining in full force and effect, not having terminated and no notice of termination of such document having been received and the Acquisition Agreement becoming unconditional save for Admission.
- 2.2 The Company agrees with the Placing Agent to use all reasonable endeavours to procure satisfaction of the Conditions contained in clause 2.1 by the times and dates stated therein.
- 2.3 Any Condition (other than the Waiver Conditions, the Termination Condition and the Admission Condition) may be waived, in whole or in part, and the time of satisfaction of any Condition may be extended, by the Placing Agent (acting in its absolute

discretion and without any obligation to make any such waiver or extension) by giving notice in writing to the Company.

- 2.4 If any Condition in clause 2.1 is not satisfied in all respects or (where applicable) waived by the Placing Agent or becomes incapable of being satisfied (and is not so waived) by the required time in clause 2.1 (or such later time as the Placing Agent and the Company may agree but in any event not later than 5.00pm on the Long Stop Date), then:
- 2.4.1 the obligations of the Placing Agent under this Agreement and accordingly of the Placees shall cease and determine;
 - 2.4.2 no party shall have any claim against the others for costs, damages, compensation or otherwise except in respect of a prior breach of this Agreement by the Company and pursuant to clauses 2.4.3 and 2.4.4 below;
 - 2.4.3 the Company shall pay to the Placing Agent the costs, charges and expenses referred to in clause 7.5; and
 - 2.4.4 the provisions of clauses 1 (*definitions*), 4.1 and 4.2 (insofar as they relate to any obligation on the part of the Company to ratify and confirm anything lawfully and properly done by the Placing Agent prior to termination of this Agreement), 7.3 and 7.5 (*expenses*), 8 (*Warranties*) (so far as is necessary to give effect to clause 9 (indemnities)), 9 (*indemnities*), 13 (*Remedies and enforcement*), 14 (*Withholding and grossing up*) 15 (*general*), 16 (*notices*), and 17 (*applicable law*) shall remain in full force and effect.

3 OBLIGATIONS OF THE COMPANY

- 3.1 By the date and time specified therefor in clause 2.1, the Company shall procure that the Circular is published and will, through the Placing Agent, make the application for Admission.
- 3.2 The Company undertakes to use all reasonable endeavours to obtain by the date specified in clause 2.1.15, the agreement of the London Stock Exchange to Admission and will supply all such information, give all such undertakings, execute all such documents, pay all such fees and do or procure to be done all such things as may be required to comply with the requirements of the London Stock Exchange, the FCA, the AIM Rules, FSMA and the FSA 2012 in connection with the application for Admission.
- 3.3 The Company agrees that if any significant change, significant new matter or significant inaccuracy arises on or after the date of this Agreement and on or before the date of Admission the Company shall upon becoming aware of the same immediately notify the Placing Agent in writing of such change, matter or inaccuracy and shall make any such announcement as may be necessary to comply with the AIM Rules or Takeover Code..

3.4 The Company authorises the Placing Agent to release the Press Announcement to a Regulatory Information Service.

4 **THE PLACING**

4.1 The Company hereby irrevocably appoints the Placing Agent as its agent to effect the Placing on the terms and subject to the conditions of this Agreement and the Placing Documents.

4.2 The appointment in clause 4.1 confers on the Placing Agent on behalf of the Company all powers, authorities and discretions which are necessary for or incidental to, such appointment and the procuring of subscribers for the Placing Shares, including authority to appoint sub-agents or to delegate and the Company hereby agrees to ratify and confirm everything which the Placing Agent (or any of its sub-agents or delegates) shall lawfully and properly do in the exercise of such appointment, powers, authorities and discretions.

4.3 On the terms and subject to the conditions set out in this Agreement and relying on the Warranties and indemnities contained in this Agreement, the Placing Agent hereby agrees as agent for the Company, to use its reasonable endeavours to procure Placees to subscribe for the Placing Shares at the Placing Price.

4.4 The Placing Agent shall not be obliged to subscribe for any of the Placing Shares and nothing in this Agreement imposes any absolute obligation on the Placing Agent to procure any person to subscribe for any of the Placing Shares.

4.5 The Placing Agent shall in effecting the Placing have discretion to determine the identity of the Placees and the allocation of the Placing Shares which are to be placed pursuant to the Placing, in consultation with the Company, and in accordance with the allocation policies of the Placing Agent as disclosed to the Company prior to the date of this Agreement.

4.6 Each of the Company and the Placing Agent hereby undertakes that they will not offer or sell or solicit applications for any Placing Shares other than:

4.6.1 in the UK to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) in the course of their business; or

4.6.2 in circumstances which will not constitute or result in an offer to the public in the UK within the meaning of the FSMA.

4.7 The Placing Agent shall notify the Company as soon as practicable of the names and denominations in which the Placing Shares are to be allotted and issued as specified in the registration particulars included in the Letters of Confirmation executed by Placees together with details as specified in the Letters of Confirmation of those numbers of Placing Shares which are to be held in certificated form and those numbers of the Placing Shares which are to be held in uncertificated form and, with respect to the latter, specifying each relevant Placee's CREST participant ID

reference and the relevant CREST member account ID reference(s) relating to the CREST member account(s) to which each relevant Placee wishes Placing Shares to be credited.

- 4.8 The Company hereby further agrees to ratify and confirm everything which the Placing Agent shall lawfully and properly do, without wilful default or negligence, in connection with Admission pursuant to this Agreement in the exercise of its powers, authorities and discretions as Nominated Adviser to the Company.

5 ALLOTMENT AND REGISTRATION

Allotment of Placing Shares

- 5.1 On or before 12 noon on the Business Day preceding the date of Admission:
- 5.1.1 the Company shall allot and issue the Placing Shares to the Placees notified to it by the Placing Agent pursuant to clause 4.7 conditional only upon Admission and immediately following such allotment and issue the Company shall deliver to the Placing Agent a certified copy of the resolution of the Board approving the allotment and issue of the Placing Shares; and
- 5.1.2 the Company shall deliver to the Placing Agent a Warranty Confirmation Certificate executed by the Company.
- 5.2 The Placing Shares shall be allotted and issued free from all Encumbrances in accordance with the Articles of Association of the Company and the terms and conditions of the Placing Documents and the Placing Shares shall (when fully paid) rank pari passu in all respects with the existing Ordinary Shares and, in particular but without limitation, shall rank in full for all dividends or other distributions declared, made or paid after Admission on the ordinary share capital of the Company.

Registration

- 5.3 As soon as practicable following Admission, in accordance with the terms of this Agreement, the Company shall procure prompt registration (without registration fees and in accordance with the CREST Regulations) of the Placees notified by the Placing Agent to the Company pursuant to clause 4.7 as the holders of the Placing Shares.
- 5.4 The Company shall procure that definitive certificates in respect of the Placing Shares which the Placing Agent has notified the Company are to be issued in certificated form, be prepared and delivered or posted to the persons entitled thereto and that the appropriate CREST member accounts are properly credited in respect of Placing Shares which the Placing Agent has notified the Company are to be issued in uncertificated form, in each case, by the date for that purpose provided in the Announcement or, in the event of any difficulties or delays in the admission of the Placing Shares to CREST, and if the Placing Agent shall so determine, shall procure that definitive certificates in respect of all of the Placing Shares shall be prepared and delivered as aforesaid.

CREST

- 5.5 The Company will supply all such information, give all such undertakings, pay all such fees and execute all such documents as may be required for the Consideration Shares and the Placing Shares to be admitted as participating securities (as defined in the CREST Regulations) within CREST.
- 5.6 The Company will procure that the Ordinary Shares remain a participating security (as defined in the CREST Regulations) within CREST.
- 5.7 The Company hereby confirms that it has instructed the Registrars to act as registrars in connection with the Placing and Admission and to perform the obligations assigned to them under this Agreement.

6 PAYMENT

- 6.1 Subject to the satisfaction, where applicable, or waiver of all of the Conditions, to this Agreement not being terminated pursuant to clause 11 and to compliance by the Company with its obligations under clause 3, the Placing Agent will as soon as reasonably practicable after, and in any event within 3 Business Days of, Admission pay or cause to be paid to the Company by telegraphic transfer to its bank account with HSBC UK Bank plc of 210 High Holborn, London, WC1V 7HD, sort code: 40-03-27, account number: 92157187, account name: Netscientific plc, a sum equal to the number of Placing Shares placed multiplied by the Placing Price less the aggregate of the amounts payable or reimbursable by the Company pursuant to clauses 7.1 to 7.4 (inclusive)).
- 6.2 If any part of the proceeds of the Placing is received by the Placing Agent after the time the Placing Agent is required to pay proceeds to the Company pursuant to clause 6.1, then the obligation on the Placing Agent to make payment by the time stated in clause 6.1 shall be to make payment to the Company of such amount on the next Business Day following the date on which such amount is so received by the Placing Agent.
- 6.3 Payment of the amounts in accordance with this clause 6 by the Placing Agent to the Company shall constitute a complete discharge of any obligation of the Placing Agent to make payment to the Company in respect of the Placing Shares under this Agreement and the Placing Agent shall not be required to investigate the application of such amounts.
- 6.4 The Company acknowledges and agrees that if this Agreement is terminated in accordance with clause 11, any and all amounts received by the Placing Agent in respect of the Placing Shares shall be held by the Placing Agent as agent for and on behalf of the Placees procured by it.

7 COMMISSIONS, FEES AND EXPENSES

- 7.1 Subject to clause 7.2, in consideration of the Placing Agent's services under this Agreement, the Company shall:

Commission

- 7.1.1 on Admission pay to the Placing Agent £7,500 (being a commission of 1 per cent. of the gross aggregate value at the Placing Price of all of the Placing Shares placed pursuant to the Placing with investors introduced to the Placing Agent by Melvin Lawson or any Director);
- 7.1.2 on Admission pay to the Placing Agent £77,500 (being a commission of 5 per cent. of the gross aggregate value at the Placing Price of all of the Placing Shares placed pursuant to the Placing, other than those referred to in clause 7.1.1);

Advisory Fees

- 7.1.3 pay to the Placing Agent a corporate finance fee of £75,000, net of any amounts paid to the Placing Agent prior to Admission pursuant to the Engagement Letter;
 - 7.1.4 pay to the Placing Agent a valuation fee of £13,000.
- 7.2 All consideration for the supply of services by the Placing Agent to the Company is expressed exclusive of any applicable VAT.
- 7.3 In addition to the sums referred to in clause 7.1, the Company shall pay to the Placing Agent (whether or not its obligations under this Agreement become unconditional pursuant to clause 2 or are terminated pursuant to clause 11), to the extent paid by WHI, all costs, charges and expenses arising out of, or incidental to, the Admission, the issue of the Placing Shares and of the Placing, and the arrangements referred to in, or contemplated by, this Agreement including:
- 7.3.1 the fees and expenses payable in connection with the application for Admission;
 - 7.3.2 the fees and expenses of the Registrars;
 - 7.3.3 the fees and expenses incurred in connection with any opinions required;
 - 7.3.4 all printing and advertising expenses and postage;
 - 7.3.5 £10,000 plus VAT (being the agreed fees and expenses of Keystone Law); and
 - 7.3.6 all other (in each case reasonable) accountancy and other professional fees and expenses, all due diligence fees incurred by the Placing Agent and any irrecoverable VAT and stamp duty and SDRT (if any) and other duties and taxes incurred by the Placing Agent in relation to the allotment and issue of the Placing Shares or the subscription of Placing Shares pursuant to this Agreement.

- 7.4 The Company will promptly on any request of the Placing Agent reimburse the Placing Agent the amount of any expenses which the Placing Agent may have paid or incurred on behalf of the Company.
- 7.5 If this Agreement does not become unconditional or is terminated pursuant to clause 11 the Company shall reimburse the Placing Agent in respect of all amounts payable pursuant to Clause 7.3 paid or incurred by it and such amounts, to the extent not paid, shall be paid by the Company to the Placing Agent within 5 Business Days of receipt of an invoice from the Placing Agent following such termination or notification that this Agreement will not become unconditional.
- 7.6 Where a sum is payable to the Placing Agent by the Company in accordance with this Agreement, the Company shall, in addition to such sum, pay to the Placing Agent in respect of VAT:
- 7.6.1 to the extent the payment (or any part thereof) constitutes the consideration for the supply of any service to the Company, such amount as equals any VAT properly chargeable in respect of such supply;
- 7.6.2 to the extent the payment is in respect of costs, charges or expenses incurred by the Placing Agent (except where the payment falls within sub-clause 7.6.3), such amount as equals any VAT charged to or incurred by the Placing Agent in respect of the cost, charge or expense that gives rise to the payment and which the Placing Agent certifies is not recoverable by the Placing Agent by repayment or credit (such certificate to be conclusive in the absence of manifest error); and
- 7.6.3 where the payment is in respect of costs or expenses the cost of which was incurred by the Placing Agent as agent for the Company, except where section 47(2A) or section 47(3) of VATA applies,, such amount as equals the amount included in the costs and expenses in respect of VAT, provided that in such a case the Placing Agent will use its reasonable endeavours to procure that the actual supplier of the goods and/or services which Placing Agent received as agent issues its own VAT invoice directly to the Company,
- 7.7 Where an amount in respect of VAT is due pursuant to clause 7.6 in respect of a supply of goods or services made by the Placing Agent to the Company such VAT shall be payable only against receipt of a valid VAT invoice addressed to the Company in respect of such supply.
- 7.8 The Company hereby authorises the Placing Agent to deduct the commissions, fees, costs, charges and expenses and VAT (if any and subject to clause 7.7) referred to in this clause 7 from the amount payable by the Placing Agent to the Company pursuant to clause 6.1, provided that all such costs, charges and expenses have been agreed in writing in advance with the Company (acting reasonably). In respect of any commission, fees, costs, charges or expenses not deducted from the Placing proceeds under clause 6.1, the Company shall pay such amounts (together with any

amount in respect of VAT in accordance with clauses 7.6 and 7.7), agreed in writing in advance with the Company (acting reasonably), to the Placing Agent within 7 days of receipt of an invoice from the Placing Agent (subject to clause 7.7).

- 7.9 The Placing Agent may retain any commissions, fees or other amount payable to them under this Agreement and any other benefits whatsoever for their own use and benefit.

8 WARRANTIES

- 8.1 In consideration of the Placing Agent entering into this Agreement the Company warrants and undertakes to the Placing Agent that each of the statements set out in Schedule 1 is true, accurate and not misleading as at the date of this Agreement and will remain true, accurate and not misleading at all times up to and including Admission as if repeated by reference to the facts and circumstances existing at all such times up to and including the date of Admission.
- 8.2 Each Warranty is made save as disclosed in the Circular and any Previous Announcement, and each Warranty shall be qualified to the extent of any facts or information contained in the Circular or any Previous Announcement which are fairly and accurately disclosed with sufficient details to enable a reasonable Placee to identify the nature, scope and importance of the matters disclosed.
- 8.3 The Warranties shall remain in full force and effect notwithstanding the completion of the Placing, Acquisition and Admission.
- 8.4 The parties hereto acknowledge that the Placing Agent has entered into this Agreement in reliance (inter alia) upon each of the warranties, undertakings and indemnities contained in this Agreement. The warranties, undertakings and indemnities contained in this Agreement shall be separate and independent and claims may be made whether or not the Placing Agent prior to signing this Agreement could have discovered (whether by any investigation made by it or on its behalf into the affairs of the Company or any Group Company or otherwise) that any such warranty, undertaking or indemnity has not been complied with or carried out or is otherwise untrue, inaccurate or misleading.
- 8.5 The Company undertakes to notify the Placing Agent immediately if it comes to his or its knowledge at any time up to Admission that any of the Warranties was or is likely to become untrue, inaccurate or misleading either when given or if it were repeated at any time before Admission by reference to the facts or circumstances existing at the time of repetition. Such disclosure shall not prejudice the Placing Agent's rights and remedies under this Agreement.
- 8.6 If, at any time prior to Admission, the Placing Agent shall receive notification pursuant to clause 8.5 or it shall otherwise become aware that any of the Warranties is or has become or is likely to become untrue, inaccurate or misleading either at the date of this Agreement or if it were repeated at any time before Admission by reference to the facts or circumstances existing at the time of repetition, the Placing Agent may (without prejudice to any right to terminate its obligations under this Agreement

pursuant to clause 11) require the Company at its own expense to make or cause to be made such announcement and/or despatch such communication as the Placing Agent may reasonably (but after consultation with the Company) determine. Any such announcement and/or communication may only be made or sent after it has been approved by the Placing Agent.

8.7 Save in the event of fraud or wilful or deliberate non-disclosure or breach of sections 89 or 90 of the FSA 2012:

8.7.1 the aggregate liability of the Company in respect of claims for breach of Warranty shall not exceed the Total Proceeds;

8.7.2 the Placing Agent shall not be entitled to make a claim against a Warranty which is not a Tax Warranty unless it shall have given notice of the claim to the Company giving reasonable details of the matter giving rise to the claim on or prior to the later of the date falling 60 days after the date of publication of the audited consolidated accounts of the Company for the year ending 31 December 2020 (or if the Company's accounting reference date is changed such later date) and 18 months from Admission;

8.7.3 the Placing Agent shall not be entitled to make a claim against a Tax Warranty unless it shall have given notice of the claim to the Company giving reasonable details of the matter giving rise to the claim on or prior to the date falling seven years after the date of Admission.

8.8 The Company shall have no liability in respect of a claim for breach of Warranty if the value of such claim is less than £10,000. However, for the purposes of this paragraph, two or more claims arising out of or in respect of the same or similar facts or circumstances shall be treated as comprising a single claim.

9 **PLACING AGENT'S INDEMNITY**

9.1 No claim shall be made against any Indemnified Person by the Company, any Group Company or any director, officer, employee, agent or adviser of the Company or any Group Company to recover any loss, damage, liability, cost, charge or expense which it or he may suffer or incur by reason of, arising directly or indirectly out of, or in connection with, the carrying out by or on behalf of the Placing Agent of its obligations under this Agreement save and to the extent that such loss, damage, liability, cost, charge or expense arises from (i) the finally judicially determined fraud, gross negligence or wilful default of an Indemnified Person or (ii) the material breach by an Indemnified Person of its duties or obligations under FSMA or the regulatory system as defined in the rules of the FCA.

9.2 No Indemnified Person will be responsible to the Company or any other person for verifying the accuracy or fairness of the contents of any of the Placing Documents or any other information published by the Company in connection with the Placing.

9.3 The Company agrees on behalf of itself and its Group Companies that, without prejudice to any claim the Company may have against the Placing Agent or an

Indemnified Person, no proceedings may be taken or claim brought against any director, officer or employee of the Placing Agent or of an Indemnified Person in respect of any conduct, action or omission by the individual concerned with this Agreement, the Placing or Admission. This clause 9.3 may be relied upon and enforced by each such director, officer or employee of the Placing Agent or any Indemnified Person.

9.4 The Company hereby undertakes to the Placing Agent (for itself and as trustee for each and every Indemnified Person) to indemnify and keep indemnified each Indemnified Person against (i) all or any losses, damages, claims, actions, liabilities, demands, proceedings, enquiries, investigations or judgments threatened, made, brought or established against any Indemnified Person in any jurisdiction (whether or not successful, comprised, settled or reversed) and (ii) any loss, damage, liability, cost, charge or expense incurred by an Indemnified Person as a result of investigating, responding to, preparing for, disputing, defending or settling any actual or potential claim or demand or mitigating any loss on its part which in the case of (i) or (ii) is a result of, or arises directly or indirectly out of or in connection with the Placing, Admission or the carrying out by or on behalf of the Placing Agent of its obligations under or in connection with this Agreement including but not limited to:

9.4.1 the issue, publication, approval or content of any of the Placing Documents or any other documents or announcements issued in connection with the Placing, the Acquisition or Admission and any such document not containing, or being alleged not to contain all the information required to be contained therein by any law or regulation or any statement in such document being, or being alleged to be, untrue, incorrect, incomplete or misleading;

9.4.2 the Placing Agent acting in its capacity as nominated adviser and broker to the Company in connection with the Placing and the application for Admission;

9.4.3 the performance by an Indemnified Person of services to the Company in connection with this Agreement, the Placing, the Acquisition and/or Admission;

9.4.4 any breach or alleged breach by the Company of any of the Warranties or of any other of its obligations pursuant to this Agreement;

9.4.5 the failure or alleged failure by the Company, any Group Company or any of their directors, officers, employees, agents or advisers to comply with the Act, the FSMA, the FSA 2012, the Criminal Justice Act 1993, the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, the AIM Rules, the Takeover Code, the CREST Regulations and the rules, practices and procedures laid down by Euroclear, or any other requirements of statute or regulation of any jurisdiction in relation to the Placing, the Acquisition and/or the Admission

- or any other arrangements contemplated in the Placing Documents or this Agreement;
- 9.4.6 any breach or alleged breach of the laws or regulations of any country resulting from the Placing or the issue or distribution of the Placing Documents (or any of them) in or to such a country being a country in which such acts would be illegal;
 - 9.4.7 the performance by an Indemnified Person of any of its obligations or services to the Company in connection with the Placing and/or Admission;
 - 9.4.8 the making or implementation of the Placing and/or Admission; and
 - 9.4.9 the allotment and issue of the Placing Shares pursuant to the Placing and/or the rescission of any contract to subscribe for Placing Shares.
- 9.5 The indemnity in clause 9.4 in favour of an Indemnified Person shall not apply to the extent that the loss, damage, liability, cost, charge or expense arises from (i) the finally judicially determined fraud, gross negligence or wilful default of an Indemnified Person or (ii) the material breach by an Indemnified Person of its duties or obligations under FSMA or the regulatory system as defined in the rules of the FCA.
- 9.6 Each Indemnified Person shall have the right under the Contracts (Rights of Third Parties) Act 1999 (which shall apply to this Agreement only to the extent provided in this clause 9.6) to enforce its rights against the Company under this clause 9, provided that, save to the extent notified in writing by the Placing Agent to the relevant Indemnified Person, the Placing Agent (without obligation) will have the sole conduct and exclusive rights in respect of any action to enforce such rights on behalf of their Indemnified Persons under this clause 9. The Placing Agent will not have any responsibility to any person who is not a party to this Agreement for any acts or omissions of the Placing Agent under this clause 9.
- 9.7 For the avoidance of doubt, the indemnity contained in clause 9.4 is in addition to, and not in substitution for, any other rights or indemnities to which the Placing Agent is entitled at law as agent of the Company.
- 9.8 Any transaction or step carried out by the Placing Agent pursuant to this Agreement will be carried out at the request of and as agent for the Company and not for the Placing Agent itself. Neither the Placing Agent nor any other of its Indemnified Persons will be responsible for any loss or damage to any person arising from any insufficiency or alleged insufficiency of the Placing Price or of the terms on which subscribers under the Placing may be procured by the Placing Agent, or the allocation of shares pursuant to the Placing.
- 9.9 The Placing Agent and any relevant Indemnified Person will, to the extent reasonable and practicable in the circumstances, and subject to any requirement imposed by an insurer of the Placing Agent or the relevant Indemnified Person, consult with the Company and keep the Company informed in relation to any claim in respect of which indemnification may be sought under this clause 9.

- 9.10 The Company will not, without the prior written consent of the Placing Agent, settle or compromise or consent to the entry of any judgement with respect to any pending or threatened proceedings in respect of which indemnification may be sought under this clause 9 by the Placing Agent or any other Indemnified Person (whether or not the Placing Agent or such other Indemnified Person is an actual or potential party to such proceedings) unless such settlement, compromise or consent includes an unconditional release of the Placing Agent and/or such Indemnified Person from all liability arising out of the proceedings in form and substance satisfactory to such Indemnified Person and does not include a statement of admission of fault, capability or failure to act by or on behalf of an Indemnified Person.
- 9.11 For the purposes of this clause 9, the term “**finally judicially determined**” means, in respect of a claim under this clause 9, that it is either:
- 9.11.1 admitted in writing by the Indemnified Person, both as to the liability for such claim and as to the quantum of such claim; or
 - 9.11.2 determined in favour of the Company by the High Court of England and Wales and, if permission is granted by the High Court, no notice of appeal is served within three months of the judgment or decision being appealed, or, if no permission to appeal is given by the High Court, where no notice of appeal is served within three months of the Court of Appeal giving permission to appeal; or
 - 9.11.3 determined in favour of the Company by the Court of Appeal or the Supreme Court (as appropriate) following an appeal from the decision of the High Court or the Court of Appeal (as the case may be).

10 ANNOUNCEMENTS AND UNDERTAKINGS

- 10.1 The Company undertakes to the Placing Agent that except for the despatch of the Placing Documents, none of the Company, any Group Company or any person on its behalf will make or despatch any public announcement or communication concerning the Placing, the Company or any Group Company between the date of this Agreement and the close of business on the date 6 months after the date of Admission, without where the announcement or communication is required by law or the AIM Rules or the Market Abuse Regulation, prior consultation with the Placing Agent and having due regard to all reasonable requests which the Placing Agent may make.
- 10.2 In the event that the Conditions are not satisfied or waived or that the Agreement is terminated pursuant to clause 11, the Company undertakes to the Placing Agent that no Group Company nor any person on their behalf shall make or despatch any public announcement or communication in relation to the Placing or the Admission without the prior consent of the Placing Agent (such consent not to be unreasonably withheld or delayed).

10.3 The consent of the Placing Agent pursuant to clause **Error! Reference source not found.**10.1 or 10.2 shall not constitute a waiver of a breach of any of the warranties, indemnities or undertakings contained in this Agreement unless expressed to do so.

10.4 The Placing Agent may make for itself, or on behalf of an Indemnified Person, any announcement concerning the Placing as may be necessary to comply with AIM Rules, the FSMA or the FSA 2012.

11 TERMINATION

11.1 If:

11.1.1 in the reasonable opinion of the Placing Agent, at any time prior to Admission there shall develop, occur or come into effect:

- (a) any government regulation or other occurrence of any nature whatsoever which in the reasonable opinion of the Placing Agent acting in good faith seriously and adversely affects or is likely to seriously and adversely affect the business of the Group taken as a whole or the successful outcome of the Placing; or
- (b) any outbreak or escalation of hostilities, any attack on or act of terrorism involving the United Kingdom, any other EU Member State or the United States, or any declaration of a national emergency or war by the United Kingdom, any other EU Member State or the United States which in the reasonable opinion of the Placing Agent and acting in good faith makes it impractical or inadvisable to proceed with the Placing and/or Admission; or
- (c) any other calamity, crisis or material change in the financial, political, economic or market conditions in the UK, any other EU Member State, the United States, or elsewhere or in currency exchange rates or controls which in the reasonable opinion of the Placing Agent acting in good faith makes it impractical or inadvisable to proceed with the Placing and/or Admission; or
- (d) any other crisis of international or national effect which in the opinion of the Placing Agent in its absolute discretion makes it impractical or inadvisable to proceed with the Placing and/or Admission;

then and in any such case the Placing Agent may, acting in good faith by notice in writing to the Company, terminate this Agreement; and

11.1.2 in the reasonable opinion of the Placing Agent at any time prior to Admission any of the following events has occurred and the event or issue has not been remedied to the satisfaction of the Placing Agent on the date falling two Business Days before the General Meeting:

- (a) any of the Conditions (other than the Admission Condition) which are not waived (if capable of waiver), are not satisfied or become incapable, for any reason, of being satisfied or, in the reasonable opinion of the Placing Agent acting in good faith is unlikely to be satisfied before Admission;
- (b) any statement contained in any of the Placing Documents has become untrue or inaccurate or misleading in any material respect or a new matter has arisen or a change has taken place which would, if such document were published at that time, constitute a material omission therefrom; or
- (c) there is a material adverse change in the financial position, business or prospects of the Group which in the reasonable opinion of the Placing Agent acting in good faith seriously and adversely affects or is likely to seriously and adversely affect the business of the Group taken as a whole or the successful outcome of the Placing; or
- (d) there has been a material breach of any Warranty or any fact or circumstance has arisen which has caused or is reasonably likely to cause any Warranty to become untrue, inaccurate or misleading if it were repeated at any time on or before Admission by reference to the facts or circumstances subsisting at the time of repetition or any fact or circumstance has arisen which has or might give rise to a claim under this Agreement and such breach of Warranty has not been remedied to the satisfaction of the Placing Agent on the date falling two Business Days before the General Meeting; or
- (e) there has been a material breach by the Company of this Agreement;
- (f) the Company has failed in any respect to comply with the Act, FSMA, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation or the Takeover Code; or
- (g) the Company fails to accept the Placing Agent's advice on material matters, which leads to the Company's or the Placing Agent's inability to comply with the AIM Rules; or
- (h) the arrangements for the Placing Documents (or any of them) to be made available and remittances to be collected or delivered which are contemplated by this Agreement and in the Placing Documents (or any of them) are not fulfilled or capable of being fulfilled in accordance with this Agreement and the Placing Documents.

then and in any such case the Placing Agent may, acting in good faith, by notice in writing to the Company given prior to the Admission, terminate this Agreement.

- 11.2 If this Agreement is terminated in accordance with clause 11.1.1 or 11.1.2 then:
- 11.2.1 the obligations of the Placing Agent under this Agreement and accordingly of the Placees shall cease and determine;
 - 11.2.2 the Company shall pay to the Placing Agent the fees and expenses referred to in clause 7.5;
 - 11.2.3 the Application Form will be withdrawn and the parties will procure that Admission will not become effective;
 - 11.2.4 any monies received from Placees by the Placing Agent will be returned to them, at their risk; and
 - 11.2.5 the provisions of clauses 1, 7.3, 7.5 and 8 (for the purpose of clause 9), 9, 10, 13, 14, 15, 16 and 17 shall remain in full force and effect.

12 CONTINUING OBLIGATIONS

- 12.1 The Company undertakes to the Placing Agent to comply with the requirements of the AIM Rules, the rules and regulations of the London Stock Exchange (and, where applicable, the United Kingdom Listing Authority), the Act, FSMA, the FSA 2012, the Prospectus Rules, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation, the Takeover Code, the Criminal Justice Act 1993 and all other requirements statutory or otherwise relating to companies with securities admitted to trading on AIM and confirms that it has established a proper system and nominated appropriate personnel to monitor such compliance.
- 12.2 The Company undertakes to the Placing Agent that it shall not do, or procure to be done, any act or make any omission, before Admission which would or might constitute a breach of any of the Warranties or cause any of the Warranties to become untrue, inaccurate or misleading either when given or if it were repeated at any time before Admission by reference to the facts or circumstances existing at the time of repetition.
- 12.3 The Company undertakes to the Placing Agent that it will not without first consulting with the Placing Agent from the date of this Agreement:
- 12.3.1 until the date falling 6 months after the date of Admission, incur or enter into any agreement or arrangement (other than in the ordinary course of its business) or enter into, or procure or permit any Group Company to enter into, any commitment or agreement which would be material in the context of the Placing; or
 - 12.3.2 until the date falling 6 months after the date of Admission, take any steps which, in the opinion of the Placing Agent, would be inconsistent with any expression of policy or intention in the Circular. The Company undertakes to the Placing Agent to use all reasonable endeavours to satisfy all of the conditions precedent in the Acquisition Agreement (that are not otherwise waived) prior to Admission (save for any conditions relating to Admission).

12.4 The Company further undertakes to the Placing Agent that they will not agree to any material alteration, revision or amendment of or to any of the terms or conditions of the Acquisition Agreement (or any document entered into pursuant thereto) or waive, vary, compromise or release any obligation thereunder, whether prior to Admission or following Admission, without consulting the Placing Agent before agreeing to or refraining from agreeing to any such alteration, revision or amendment.

13 REMEDIES AND ENFORCEMENT

13.1 This Agreement is binding on and enures to the benefit of the successors, assigns, or legal personal representatives of the parties and each Indemnified Person.

13.2 No party may assign its rights under this Agreement without the prior written consent of the other party.

13.3 Any liability to the Placing Agent under this Agreement may in whole or in part be released, compounded or compromised and time or indulgence may be given by the Placing Agent as regards any person under such liability without prejudicing the Placing Agent's rights against any other person under the same or a similar liability.

13.4 Any remedy or right conferred upon the Placing Agent for breach of this Agreement shall be in addition to and without prejudice to all other rights and remedies available to it.

13.5 The parties agree and acknowledge that the Placing Agent is acting for the Company and for no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to customers of the Placing Agent or for providing advice in relation to the Placing or the Admission.

14 WITHHOLDING AND GROSSING-UP

14.1 All sums payable by the Company under this Agreement shall be paid free and clear of all deductions or withholdings whatsoever, unless the deduction or withholding is required by law.

14.2 If any deductions or withholdings are required by law to be made from any sum payable by the Company under this Agreement (other than costs, expenses, fees or commissions under clause 7), then the payer shall pay to the recipient such increased sum as will, after all deductions and withholdings have been made in respect of the increased sum, leave the recipient with the same net amount as it would have been entitled to receive in the absence of any requirement to make a deduction or withholding.

14.3 If the recipient of a payment made by the Company under this Agreement (other than costs, expenses, fees or commissions under clause 7) incurs a Tax Liability which results from, or is calculated by reference to, any payment made under this Agreement, then the amount so payable shall be increased to such amount (the "gross amount") as will ensure that, after deduction of an amount equal to all Tax Liabilities in respect of the gross amount, the recipient is left with a net sum equal to

the sum it would have received had no Tax Liability arisen. There shall be no double counting and accordingly, this Clause 14.3 shall not apply to the extent that the amount payable by the Company to the Placing Agent has already been increased to take account of the Taxation that will or would be charged on receipt.

- 14.4 If the recipient of a payment made by the Company under this Agreement (other than costs, expenses, fees or commissions under clause 7) would, but for the availability of a Relief (other than a Relief arising in consequence of the payment by the Company or the matter giving rise to the requirement to make the payment), incur a Tax Liability falling within clause 14.3, then the recipient shall be deemed for the purposes of that clause to have incurred and paid that liability.
- 14.5 In the event of an assignment by the Placing Agent of any of its rights under this Agreement, the Company shall only be liable under this clause **14Error! Reference source not found.** to the extent it would have been liable had there been no such assignment.

15 GENERAL

- 15.1 **Delay and waiver:** No failure by any party to exercise, and no delay by it in exercising, any right, power or remedy in connection with this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right. The rights provided in this Agreement are cumulative and not exclusive of any other rights (whether provided by law or otherwise). Any express waiver of any breach of this Agreement shall not be deemed a waiver of any subsequent breach. No time or other indulgence granted to, or release or compromise of the liability of, any party to this Agreement shall affect the liability of any other party to this Agreement.
- 15.2 **No agency:** Each of the parties hereto acknowledges that the warranties and undertakings given by the Company contained in or given pursuant to clause 8 and the indemnity contained in clause 9 are, subject as provided in clause 9.6, given to the Placing Agent for itself and not to it as agent of, trustee for or otherwise for the benefit of any other person including (without limitation) any person who may subscribe or purchase any of the Placing Shares.
- 15.3 **Time of the essence:** Time shall be of the essence of this Agreement, both as regards any dates, times or periods mentioned and as regards any dates, times or periods which may be substituted for them in accordance with this Agreement or by agreement in writing between the parties.
- 15.4 **Counterparts:** This Agreement may be entered into in any number of counterparts and by the parties to it on separate counterparts, each of which when so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.
- 15.5 **Variation:** No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the parties.

- 15.6 **Further assurance:** At any time after the date of this Agreement the Company shall, and shall use all reasonable endeavours to procure that any necessary third party shall, at the cost of the Company, execute such documents and do such acts and things as the Placing Agent may reasonably require for the purpose of giving full effect to all the provisions of this Agreement or any other aspect of the Placing or in order to cause persons to acquire Placing Shares which are to be allotted and issued to them pursuant to the Placing with the entire right and interest to and in such Placing Shares.
- 15.7 **Illegality etc.:** If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to the extent be deemed not to form part of this Agreement but the legality, validity and enforceability of the remainder of this Agreement shall not be affected.
- 15.8 **Entire Agreement:** This Agreement (together with the documents referred to herein):
- 15.8.1 shall constitute the entire agreement between the parties with respect to the subject matter of this Agreement; and
- 15.8.2 supersedes and extinguishes any prior drafts, agreements and undertakings between the parties relating to such subject matter;
- 15.8.3 save only for the Engagement Letter, which shall subsist in respect of any breaches thereof prior to the date of this Agreement. In the event of any conflict between the provisions of this Agreement and those of the Engagement Letter, this Agreement shall prevail.
- 15.9 **Third party rights:** Save as provided in clause 9.6, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement. For the avoidance of doubt, the parties hereto may agree to terminate this Agreement or vary any of its terms without the consent of any third party.

16 NOTICES

- 16.1 All notices delivered hereunder shall be in writing and shall be communicated to the following addressees or such other addresses as the relevant party may notify in writing from time to time to the other parties:

If to the Company	John Clarkson
	Its registered office address from time to time
Email	john.clarkson@netscientific.net
If to the Placing Agent to:	Chris Fielding, 24 Martin Lane, London, EC4R 0DR

Email

Chris.fielding@whirelandcb.com

- 16.2 Any such notice or other communication delivered personally shall be deemed to have been received when delivered, if sent by email shall be deemed to have been received immediately and by letter shall be deemed to have been received 48 hours after the time of posting.
- 16.3 Any notice given by the Placing Agent under clause 16.1 may also be given by any director of the Placing Agent to any Director either personally or by telephone and shall have effect immediately. Any notice given to the Company on behalf of the Directors shall be deemed to be given to each of the Directors.
- 16.4 This clause 16 does not apply to the service of proceedings or other documents in any legal action.

17 **APPLICABLE LAW, ETC.**

- 17.1 This Agreement and any dispute or claim arising out of or in connection with it (including any non-contractual claims or disputes) shall be governed by and construed in accordance with the laws of England and Wales.
- 17.2 In relation to any legal action or proceedings (a) arising out of or in connection with this Agreement or its implementation or effect or (b) relating to any non-contractual obligations arising out of or in connection with this Agreement, each of the Parties irrevocably submits to the exclusive jurisdiction of the English courts and waives any objection to proceedings in such courts on the grounds of venue or on the grounds that proceedings have been brought in an inappropriate forum.

IN WITNESS whereof this agreement has been entered into on the day and year first before written.

SCHEDULE 1

Warranties

1 THE PLACING DOCUMENTS

- 1.1 The Circular complies with the disclosure requirements of the Takeover Code and the AIM Rules.
- 1.2 There is no fact or information which is not disclosed in the Circular with regard to the Company, the Group and the EMV Capital Group, the omission of which makes any statement of fact or any estimate, expression of opinion, intention or expectation of the Company or Directors contained in the Placing Documents materially untrue, inaccurate or misleading in any material respect.
- 1.3 All statements of fact contained in the Placing Documents are true, accurate and not misleading. All expressions of opinion, intention or expectation contained in the Placing Documents are truly and honestly given and have been made on reasonable grounds after due and careful consideration.
- 1.4 There are no facts or considerations known or which could with reasonable and proper enquiry have been known to the Company which are not disclosed in the Placing Documents and which would reasonably be considered to:
 - 1.4.1 be likely to affect the import of the information contained therein; or
 - 1.4.2 make any statement therein (whether of fact or opinion) untrue, inaccurate or misleading; or
 - 1.4.3 invalidate or qualify any assumption made in support of any statement therein (whether of fact or opinion); or
 - 1.4.4 be material for disclosure to the Placing Agent in relation to the Placing or a potential subscriber for any of the Placing Shares.
- 1.5 Having made due and careful enquiry of its advisers, the Company is satisfied that the Placing and the Placing Documents comply with all relevant requirements of the Act, FSMA, the FSA 2012, the AIM Rules, the Takeover Code and all other relevant statutes and regulations.

2 GENERAL INFORMATION

No material information was withheld from, and all written information prepared or supplied by or on behalf of the Company or any Group Company to the Placing Agent (or its advisers or any other persons acting on its behalf) and the Company's Solicitors on or prior to the date of this Agreement for the purposes of, or in connection with, the Placing and Admission was true and accurate and not misleading each on the date provided or as may have been updated, if applicable, and was lawfully and properly obtained and, where disclosed in the Placing Documents, may be disclosed in the Placing Documents and there is no other fact or

matter which renders any such information misleading because of any omission, ambiguity or for any other reason. Each expression of opinion, intention or expectation in such information is made on reasonable grounds, is honestly held, is fairly based and has been made after due and careful enquiry and consideration.

3 VERIFICATION NOTES

The information, materials and assertions contained in the Verification Notes have been provided with due care and attention and in good faith and have been prepared and given by persons having appropriate knowledge and responsibility to enable them properly to provide such information, materials and assertions.

4 ACCOUNTS

4.1 The Company Accounts:

4.1.1 have been prepared and audited in accordance with the Act, all applicable statements of standard accounting practice and International Financial Reporting Standards as adopted by the European Union, as appropriate, and such practices and standards have been consistently applied;

4.1.2 have been audited in accordance with International Standards on Auditing (UK and Ireland); and

4.1.3 give a true and fair view of the state of affairs of the Company as at the end of each of the relevant financial periods (up to and including the Accounts Date) and of the profit or loss and cashflow for the periods ending on each of those dates.

4.2 The accounts of EMV Capital for the period to 31 December 2019:

4.2.1 have been prepared in accordance with the law and applicable principles, standards and practices generally accepted in the United Kingdom; and

show a true and fair view of the assets and liabilities of EMV Capital and of the profits and losses for EMV Capital for the financial period ended on 31 December 2019.

5 CURRENT FINANCIAL PERIOD

5.1 Since the Accounts Date:

5.1.1 each Group Company has carried on its business in the ordinary and usual course;

5.1.2 there has been no significant change, nor any development likely to give rise to a significant change, in the financial or trading position or prospects of each such Group Company and no material depletion in the net assets of each such Group Company;

- 5.1.3 no Group Company has entered into any contract or commitment of a long term or unusual nature or which involves or could involve an obligation of a material nature or magnitude which is material for disclosure in the Circular or the existence of which would make any statement in the Circular misleading;
- 5.1.4 no Group Company has acquired or disposed of or agreed to acquire or dispose of any business, company or asset or assumed or acquired any liability (including any contingent liability);
- 5.1.5 no debtor has been released by any Group Company to an extent which is or would be material in relation to the Group on terms that it pays less than the book value of its debt and no debt of such material amount owing to any Group Company has been deferred, subordinated or written off or has proven or is likely to prove to any extent irrecoverable;
- 5.1.6 no dividends or other distributions have been, or have been treated as having been, declared, made or paid by any Group Company; and
- 5.1.7 no Group Company has incurred any Tax Liability otherwise than in the ordinary course of business.

6 ARM'S LENGTH TRANSACTIONS

- 6.1 No relationship, transaction or indebtedness exists between or among the Company or any other Group Company, on the one hand, and any other person, on the other hand, that would be required to be disclosed pursuant to applicable law.
- 6.2 All transactions between each Group Company and any third party have been (and remain) on arm's length terms.

7 TAX

- 7.1 In the last four years, all notices, returns (including any land transaction returns), reports, accounts, computations, statements, certificates, particulars, assessments (including self assessments), registrations (including VAT registration) and any other information submitted or required to be submitted by any Group Company to any Tax Authority for the purposes of Tax have been so submitted within applicable time limits and were when submitted and remain materially accurate and complete. None of the above nor any other matter is, or so far as the Company is aware is likely to be, the subject of any dispute with any Tax Authority.
- 7.2 Each Group Company has paid all material Tax which it is required to have paid to the appropriate Tax Authority, made all such deductions, withholdings and retentions of or on account of Tax (including, without limitation, under the PAYE system) as it was or is obliged or entitled to make and has accounted for all such amounts to the relevant Tax Authority (to the extent the same has fallen due for payment), in each case, within applicable time limits.

- 7.3 Within the last four years, no Group Company nor any director or officer of any Group Company (in his capacity as such) has, or so far as the Company is aware is likely to have, any material liability for any fine, penalty, interest, supplement, default surcharge or other similar payment pursuant to any Tax legislation.
- 7.4 No Group Company has entered into, been party to or involved in any transaction (or series of transactions), or any scheme or arrangement of which the main purpose, or one of the main purposes, was the avoidance of (or reduction in) Taxation.
- 7.5 No Group Company has ever been resident for Tax purposes in any place outside the UK or US or had any place of business, office, branch, agent or permanent establishment outside the UK or the US.

8 SHARE CAPITAL AND AUTHORITY

- 8.1 The Company is duly incorporated under the laws of England and Wales and is operating in accordance with its Articles of Association and all relevant laws and regulations in the UK.
- 8.2 The Company has power under its Articles of Association and, will pursuant to the Resolutions have the authority to, create, allot and issue the Consideration Shares and the Placing Shares and to effect the Placing in the manner proposed and to pay the fees and expenses provided for in this Agreement and to enter into and perform this Agreement and all other documents relating to the Acquisition and Placing without any sanction or consent by members of the Company or any class of them, and all other authorisations, approvals, consents and licences required for the entering into and execution and performance of this Agreement, and the allotment and issue of the Consideration Shares and the Placing Shares have been obtained and will at all material times be and remain in full force and effect.
- 8.3 The allotment and issue of the Consideration Shares and the Placing Shares and the admission of the Consideration Shares and the Placing Shares to trading on AIM will comply with all agreements to which any member of the Group is a party or by which any such member is bound and will comply with FSMA, the FSA 2012, the AIM Rules, the Prospectus Rules, the Takeover Code, the Act and all other relevant laws and regulations.
- 8.4 The Consideration Shares and the Placing Shares will be allotted and issued (subject to their being fully paid up) free from all claims, charges, liens, encumbrances and equities whatsoever and will rank pari passu in all respects with the existing issued Ordinary Shares including the right to receive all dividends made, declared or paid following Admission.
- 8.5 There are not in force any options or other agreements which require or may require, or confer any right to require, the issue of any shares, warrants or other securities of any member of the Group now or at any time hereafter.
- 8.6 None of the owners or holders of any of the share capital of the Company or the persons to which the Consideration Shares and the Placing Shares are to be allotted

and issued has any rights, in his capacity as such, in relation to the Group other than as set out in the Articles of Association.

- 8.7 The Ordinary Shares are freely transferable in accordance with the Articles of Association of the Company and all relevant laws and regulations of the UK.

9 INSOLVENCY

No Group Company has taken any action nor have any other steps been taken or legal proceedings started or threatened against any Group Company for its administration, winding-up or provisional winding-up or dissolution or for it to enter into any arrangement or composition for the benefit of creditors, or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of any of its properties, revenues, undertakings or assets nor have any orders been made for any of the foregoing.

10 BANK FACILITIES

- 10.1 The Group Companies do not have any loans or loan capital outstanding or created but unissued or any mortgages or charges or any other borrowings or indebtedness in the nature of borrowing whatsoever and the Group Companies do not have any bank overdraft facilities in place.

- 10.2 No event has occurred or is likely to occur which (with the giving of notice, the lapse of time, the making of any relevant determination by any bank or otherwise) may cause any loan or overdraft of any Group Company to be repayable in whole or in part prior to the stated date of maturity or cause the commitment of any bank or lender thereunder to be cancelled or reduced or to give rise to any claim under any guarantee or indemnity given by a Group Company.

- 10.3 The Group Companies do not have any off balance sheet financing, investment or liability material for disclosure in the Circular.

11 DEFAULT UNDER AGREEMENTS

- 11.1 No event has occurred or is likely to occur which constitutes or would constitute a default under, or result in the acceleration by reason of default of, any obligations under any agreement, undertaking, instrument or arrangement to which any Group Company is a party or by which it or any of its properties, revenues or assets are bound and which would in any such case entitle the other party(ies) to terminate such agreement, undertaking, instrument or arrangement or have a material adverse effect on the business, assets, prospects or financial or trading condition of such Group Company.

- 11.2 None of the Acquisition, the Placing or Admission will result in any breach of any agreement or arrangement to which any Group Company is a party or by which such company or any of its property is bound and will not breach the terms of any contract or legal obligation binding on any Group Company, or result in the imposition or variation of any rights or obligations of any Group Company.

11.3 None of the creation, allotment and issue of the Consideration Shares and the Placing Shares and/or Admission, nor the performance of this Agreement by the Company will infringe or exceed any borrowing limits, powers or restrictions of, or the terms of any contract, indenture, security obligation, commitment, applicable law, regulation or arrangement binding on any member of the Group.

12 INSURANCE

12.1 The Company and each other Group Company is insured to adequate levels and on appropriate terms against all risks commonly insured against and/or required to be insured against by persons carrying on the same or similar business as that carried on by it and against all risks against which such Group Company might reasonably be expected to insure in the particular circumstances of the business carried on by it.

12.2 All such insurances are in full force and effect and not void or voidable and there is no material insurance claim pending, threatened or outstanding against such Group Company and all premiums due in respect of all insurances have been duly paid. The relevant Group Company has the full benefit of the cover offered by each of the insurances.

12.3 There are no circumstances which would or might entitle a Group Company to make a claim under any of the insurances maintained by it or which should be notified to the insurers under any of such insurances.

13 BRIBERY AND ANTI-CORRUPTION

In this paragraph:

Adequate Procedures means policies, procedures and systems designed to ensure (and which are reasonably expected to continue to ensure) compliance by the Company, each Group Company and their Associated Persons (but only in their capacity acting for on behalf of the Company or any Group Company) with applicable Anti-Corruption Laws.

Anti-Corruption Laws means applicable law, rule, regulation or other legally binding measure relating to the prevention of bribery, corruption, fraud or similar related activities in any country, including (without limitation) the Bribery Act, the U.S. Foreign Corrupt Practices Act of 1977 (as amended), the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

AML Laws means applicable money laundering statutes of all jurisdictions in which each Group Company conducts its operations, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency in such jurisdictions.

Associated Persons means, in relation to the Company and each Group Company, a person (including any director, employee, agent, contractor, sub-contractor, subsidiary or joint venture party) who performs or has performed services for, or on that entity's behalf.

Sanctions Laws and Regulations means:

(i) any US sanctions administered by the US State Department or the Office of Foreign Assets Control of the US Department of the Treasury (including, without limitation, the designation as a “specially designated national or blocked person” thereunder); and

(ii) any sanctions or measures imposed by the United Nations Security Council, the European Union (or any member state thereof), Her Majesty’s Treasury or any other governmental authority.

13.1 No Group Company has at any time engaged in any activity, practice or conduct which would constitute an offence under Anti-Corruption Laws.

13.2 So far as the Company is aware, no Director has bribed another person (within the meaning of section 7(3) of the Bribery Act) intending to obtain or retain business or an advantage in the conduct of business for any Group Company and the Group has in place procedures designed to prevent its Associated Persons from undertaking any such conduct.

13.3 No Group Company, nor any of their Directors, is or has been the subject of any investigation, enquiry or enforcement proceedings by any governmental, administrative or regulatory body or any customer regarding any offence or alleged offence under the Bribery Act and no such investigation are threatened or pending and there are no circumstances likely to give rise to any such investigation, enquiry or proceedings.

13.4 The Group has in place Adequate Procedures and regularly monitors and reviews such Adequate Procedures and compliance therewith.

13.5 The Company is not aware of any violation by the Company, any Group Company or Associated Persons (but only in their capacity acting for, or on behalf of, the Company or any Group Company) of the Group’s Adequate Procedures.

13.6 Neither the Company nor any Group Company nor any of their respective directors, officers, agents or employees nor any person acting on behalf of any of them is, or is owned or controlled by individuals or entities (for the purposes of this paragraph 19, **Persons**) that are:

13.6.1 the subject of any Sanctions Laws and Regulations; or

13.6.2 located, organised or resident in a country or territory that is the subject of Sanctions Laws and Regulations.

13.7 Neither the Company nor any Group Company will, directly or indirectly, use the proceeds received from the issue and allotment of the Placing Shares or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person:

13.7.1 to fund any activities or business of or with any Person, or in any country or territory that, at the time of such funding, is the subject of Sanctions Laws and Regulations , or

13.7.2 in any other manner that would result in a violation of Sanctions Laws and Regulations by any Person

13.8 The operations of the Company and each Group Company are and have been conducted at all times in compliance with AML Laws and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company, any Group Company or any of their respective directors, officers, agents or employees, with respect to AML Laws is pending or, so far as the Company is aware, threatened.

14 **LITIGATION**

No Group Company nor any Director or any other person for whom any Group Company is or may be vicariously liable is engaged in any litigation, arbitration, prosecution or other legal, governmental or regulatory proceeding, nor is any such litigation, arbitration, prosecution, investigation or other legal, governmental or regulatory proceeding pending or threatened by or against any Group Company or such other person, nor is there any claim or so far as the Company is aware any fact likely to give rise to a claim, which in any such case may have or has had during the twelve months preceding the date of the Circular or is likely to have a significant effect on the financial position of the Group taken as a whole.

15 **COMPLIANCE WITH LAWS**

Each Group Company has, in all material respects, conducted its business in accordance with all applicable laws and regulations of the UK and the US, and all relevant foreign countries or authorities and there is no order, decree or judgment of any court or any governmental or other competent authority or agency of the UK or the US, or any foreign country outstanding against any Group Company or any person for whose acts any Group Company is vicariously liable, nor is any inquiry, investigation or enforcement proceedings or process in progress or pending or threatened by any governmental, regulatory or other competent authority or agency of the UK or any foreign country in respect of which any Group Company or any person for whose acts any Group Company is vicariously liable, which is material in the context of the Group.

16 **DATA PROTECTION**

Each Group Company complies in all material respects with all applicable data protection laws, guidelines and industry standards. No Group Company has received any notice or allegation from a competent authority alleging that it has not complied with applicable data protection laws, guidelines and industry standards. No individual has claimed, and no grounds exist for an individual to claim, compensation from any Group Company for breaches of applicable data protection laws.

17 **LICENCES AND CONSENTS**

All material statutory, municipal and other licences, consents, permits and authorities required by law and necessary or desirable for the carrying on of the business of the

Group as now carried on (together, the “**Consents**” and each a “**Consent**”) have been obtained and are valid, subsisting and enforceable and in full force and effect and all material conditions applicable to any such Consent have been duly complied with, all material payments due from any Group Company under or in respect of them have been paid in full, there are no actual or potential violations or outstanding obligations under them and no member of the Group nor any of the Directors is aware of any breach of them and, to the best knowledge, information and belief of the Company, there is no circumstance which indicates that any such Consent is likely to be revoked or to be incapable of renewal.

18 **GRANTS**

No Group Company has outstanding any material government investment or other grants, loan subsidies or financial assistance, and the Placing and Admission shall not result in the forfeit or refund in whole or in part any such grant or loan or any other government financial assistance for which application has been made.

19 **JOINT VENTURE**

No Group Company is or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association and no Group Company is or has agreed to become a party to any agreement or arrangement for participating with others in any business sharing profits, commissions or other income.

20 **COMPLIANCE WITH SECURITIES LAWS**

- 20.1 The Placing and Admission comply with all agreements to which any member of the Group is a party or by which any such member is bound and with the Act, the FSMA, the FSA 2012, and all other relevant laws and regulations of the UK or elsewhere.
- 20.2 Neither the Company nor any of its affiliates (as defined in Rule 501(b) under the Securities Act) nor any person acting on its or their behalf has made or will make, directly or indirectly, offers or sales of any securities, or has solicited or will solicit offers to buy, or otherwise has negotiated or will negotiate in respect of, any security of the same or similar class as the Placing Shares, in circumstances that would require the registration of the Placing Shares under the Securities Act.
- 20.3 The Company is not, and as a result of the offer and sale of the Placing Shares contemplated in this Agreement will not be required to register as an investment company under, as such term is defined in the Investment Company Act, as amended.
- 20.4 The Company has adopted a share dealing code which is in compliance with AIM Rule 21 and is in accordance with the Market Abuse Regulation and has established procedures to enable the Company, following Admission, to ensure compliance with the Market Abuse Regulation.
- 20.5 The Company is a foreign issuer (as such term is defined in Regulation S) which reasonably believes that there is no substantial U.S. market interest (as such term is

defined in Regulation S) in its equity securities or in any securities of the same class as the Ordinary Shares.

- 20.6 Neither the Company nor any of its affiliates (as defined in Rule 405 under the Securities Act), nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts (as defined in Regulation S), or has engaged in or will engage in any form of general solicitation or general advertising (as such terms are defined in Regulation D of the Securities Act) with respect to the Placing.
- 20.7 Neither the Company nor any of its affiliates (as defined in Rule 405 under the Securities Act), nor any person acting on its or their behalf, has made or will make any offer to sell, any solicitation of an offer to buy, or any sale of Placing Shares other than in an “offshore transaction” (as such term is defined in Regulation S) to non-U.S. person or pursuant to the Section 4(a)(2) and/or Regulation D exemptions from registration under the Securities Act .

21 RELATED PARTY TRANSACTIONS

21.1 There are:

- 21.1.1 no loans made by the Company to any Director and/or any person connected with any of them and the Company has not been a party to any transaction to which any of the provisions of s190 (substantial property transactions involving directors, etc), s195 (liabilities arising from contravention of s190) or ss 197 to 201 (general restrictions on loans etc to directors and persons connected with them) of the Act may apply;
- 21.1.2 no debts owing to the Company or any Group Company by any Director and/or any person connected with any of them;
- 21.1.3 no debts owing by the Company or any Group Company to any Director and/or any person connected with any of them other than debts which have arisen in the ordinary course of business; and
- 21.1.4 no securities for any such loans or debts.
- 21.2 Save for the service agreements and letters of appointment between the Company and the Directors, there are no existing contracts or arrangements to which a Group Company is a party and in which any of the Directors and/or any person connected with any of them are interested whether directly or indirectly.
- 21.3 There are not outstanding, nor during the past six (6) years have there been, any arrangements or understandings (whether legally binding or not) between any Group Company and any person who is a shareholder, or the beneficial owner of any interest, in any Group Company or in any company in which any Group Company is interested, or any person connected with any such person, relating to the management of the relevant company’s business, or the appointment or removal of directors of any group company, or the ownership or the letting of any of the assets of any group company, or the provision, supply or purchase of finance, goods, services

or other facilities to, by or from any group company, or otherwise howsoever relating to its affairs.

22 MATERIAL CONTRACTS

22.1 With regard to each of the Material Contracts:

22.1.1 each Material Contract is legally binding on the parties to it and is in full force and effect;

22.1.2 so far as the Company is aware, each of the parties (including the Company) has complied with and is in compliance with its obligations under such Material Contract; and

22.1.3 so far as the Company is aware, there are no circumstances which constitute or with the effluxion of time will constitute a ground on which any such Material Contract may be avoided, rescinded, repudiated, prematurely determined (whether as a result of this Agreement or a breach, event of default or other termination right under such Material Contract) or declared to be invalid or which would give any other contracting party the right to impose any obligation (whether to make payment or otherwise) or exercise any right on the Company and the Company has not received any notice of the claim to that effect or notice indicating that such a claim may be made.

23 INTELLECTUAL PROPERTY RIGHTS

23.1 All Intellectual Property Rights registered in the name of a Group Company or used or required to be used by the Group are solely legally and beneficially owned by the Group and no Group Company has granted, or purported to grant, to any third party any licences or options (in each case whether express or implied) nor has any Group Company created any equitable interest in, charged, mortgaged, effected a contingent assignment of or otherwise encumbered any of such Intellectual Property Rights.

23.2 So far as the Company is aware, there have been no proceedings, actions or claims and no proceedings, actions or claims are pending or threatened, impugning the title, validity or enforceability of any of the Intellectual Property Rights held by or licensed to any Group Company, and the Company is not aware of any reason for bringing any such proceedings, actions or claims.

23.3 So far as the Company is aware, none of the activities or business conducted by any Group Company infringes or misappropriates the Intellectual Property Rights or other rights of any third party and no third party has at any time infringed or misappropriated the Intellectual Property Rights of any Group Company.

23.4 So far as the Company is aware, each Group Company owns or otherwise has the right to use all Intellectual Property Rights used in the operation of their business as presently carried out and has not Encumbered or otherwise impaired any rights to the same.

- 23.5 No claim has been made, and the Company is not aware of any grounds for making any claim, against a Group Company that the carrying on of the business of the Group infringes or misappropriates the Intellectual Property Rights or other rights of any third party where such claims if successful would materially affect the business of the Group and no Group Company needs to obtain any Intellectual Property Rights or any other rights of any third party in order to continue its business as currently carried on at the date hereof. Each Group Company has at all times been in compliance with all applicable open source licences used by it.
- 23.6 No Group Company has received notice that it is in breach of any licence of Intellectual Property Rights granted to any Group Company and no Group Company has received notice that there are grounds for terminating any licence of Intellectual Property Rights granted to any Group Company and no Group Company is liable to make any payment (or provide other consideration) contingent or otherwise to any third party in respect of any use of any Intellectual Property Rights which in any such case may have or has had during the 12 months preceding the date hereof or is likely to have a significant effect on the financial position of the Group taken as a whole.
- 23.7 Each Group Company owns and has taken reasonable steps to maintain and protect its Intellectual Property Rights and all employment contracts and contracts with contractors and consultants entered into by such Group Company at any time contain clauses which irrevocably and perpetually assign to the relevant Group Company any Intellectual Property Rights created by such persons.
- 23.8 Each Group Company's Intellectual Property Rights are valid and enforceable and all patent and trademark applications comprised within such Intellectual Property Rights have been properly maintained and renewed in accordance with relevant legislation.
- 23.9 None of the Sellers has any right or interest in the Intellectual Property Rights of any EMV Group Company.

24 **INFORMATION TECHNOLOGY**

- 24.1 So far as the Company is aware, all communications and computer systems (including, without limitation, all hardware, firmware, software (other than shrink-wrap software sold in standard configuration and readily available on standard terms and conditions)) and including source code, object code, executable code, data, databases and algorithms and peripherals used in connection with the business of each Group Company and which are material for the continued operation of the business (together **IT Assets**) are:
- 24.1.1 legally and beneficially owned by the relevant Group Company free from any Encumbrance, or claim by any person or licensed to a Group Company on terms which enable the Group to use it to fulfil its business requirements pursuant to a licence;
- 24.1.2 in the possession of or under the control of a Group Company;

- 24.1.3 in satisfactory working order and fit for the purpose for which they are being used;
 - 24.1.4 fulfilling the present requirements of that Group Company and will fulfil the foreseeable requirements of that Group Company including, without limitation, as to capacity and scalability;
 - 24.1.5 adequately covered by security, backup, duplication, disaster recovery and similar arrangements;
 - 24.1.6 subject to satisfactory support and maintenance arrangements, whether provided by the Group's own employees or third parties and if provided by third parties such contracts are in full force and effect, and no Group Company is in dispute regarding the repair and maintenance of its computer systems;
 - 24.1.7 configured, maintained and protected to minimise the effects of bugs, viruses, logic bombs, trojans, worms or other destructive programs or infiltrations and do not contain any viruses, vulnerabilities, faults or other devices which would be reasonably expected to adversely affect the IT Assets; and
 - 24.1.8 able to be modified or enhanced by that Group Company at its direction without the consent or infringement of any rights of any third party and all applicable source codes are held by a Group Company.
- 24.2 The IT Assets operate and perform in all material respects as required in connection with the operations of each Group Company
- 24.3 So far as the Company is aware, each Group Company's right to use the communications and software systems or any part of them will not be adversely affected by the Placing.
- 24.4 No Group Company has experienced mechanical or software failure which has had a material adverse effect on the business of any Group Company in respect of any of the communications and software systems operated by it at any time.
- 24.5 Each Group Company has taken all commercially reasonable steps necessary to protect its IT Assets and the IT Assets legally and beneficially owned by the relevant Group Company free from any Encumbrance or claim by any person and all employment contracts and contracts with contractors and consultants entered into by such Group Company at any time contain clauses which assign to the relevant Group Company any IT Assets created by such persons;
- 24.6 The IT Assets are:
- 24.6.1 in the possession or under the control of each Group Company;
 - 24.6.2 able to be used in the manner in which they are used in the business of the Group without infringement of the rights of or payment to any third party.

24.7 None of the Sellers has any right or interest in any of the IT Assets of any Group Company.

25 **THE ACQUISITION**

25.1 The Acquisition Agreement is in full force and effect and binding on the Company, and the Sellers.

25.2 There has been no default under or breach of the Acquisition Agreement (including in relation to the warranties given by each by of the parties to such agreements) and:

25.2.1 no such default or breach by the Company or the Sellers or any other party has been threatened; and

25.2.2 no party to the Acquisition Agreement is entitled to terminate the agreement.

25.3 There is no reason why any of the outstanding conditions precedent in the Acquisition Agreement cannot be fulfilled on or before Admission.

SCHEDULE 2

Documents for Delivery

- 1 one copy of the Circular;
- 2 one copy of the board minutes of the Directors or a duly authorised committee of the Directors approving the Placing, the issue of the Circular, the publication of the Press Announcement and authorising the execution of this Agreement;
- 3 one copy of the Presentation;
- 4 one copy of the Announcement;
- 5 one copy of the Circular Verification Notes signed by the Directors or their duly appointed attorneys;
- 6 one copy of the Presentation Verification Notes signed by the Directors or their duly appointed attorneys;
- 7 one copy of the responsibility statements signed by each of the Directors or their duly appointed attorneys;
- 8 one copy of the executed powers of attorney of each of the Directors;
- 9 one original signed copy of the Relationship and Lock-in Agreement;
- 10 one copy of all other documents stated in the Circular as being available for inspection; and
- 11 one copy of the Acquisition Agreement.

SCHEDULE 3

Warranty Confirmation Certificate

[Letterhead of the Company]

To: The Placing Agent

[●] [•] 2020

Dear Sirs

Placing, acquisition of EMV Capital and Admission to AIM.

We refer to the Placing and to the Placing Agreement relating, inter alia, thereto dated August 2020 (the **Placing Agreement**). Words and expressions defined in the Placing Agreement have the same meanings herein.

We confirm that:

- 1 we have complied with our obligations under the Placing Agreement which fall to be performed to date;
- 2 each of the Conditions referred to in clause 2.1 of the Placing Agreement (other than the Waiver Condition, the Termination Condition and the Admission Condition) has been fulfilled in accordance with its terms;
- 3 none of the Warranties in the Placing Agreement were untrue, inaccurate or misleading at the date of this Agreement and none of such Warranties would be untrue, inaccurate or misleading if repeated at any time on or before Admission becomes effective by reference to the facts and circumstances existing at the time of repetition; and
- 4 since the date of the Circular, there has not arisen or been noted any mistake or inaccuracy relating to the information contained in the Circular and no material new factor has arisen or been noted nor have we become aware of any other significant change, new matter or other information.

Yours faithfully

NetScientific plc

EXECUTION PAGE

SIGNED by John Clarkson (name))
a director for and on behalf of)
NETSCIENTIFIC PLC)



Director

SIGNED by (name))
a director for and on behalf of)
WH IRELAND LIMITED)

Director

EXECUTION PAGE

SIGNED by (name))

a director for and on behalf of)

NETSCIENTIFIC PLC)

Director

SIGNED by CHRIS FLEMING (name))

a director for and on behalf of)

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