

DATED

6 November

2020

The Sellers
and
PlantX Life Inc.

SHARE PURCHASE AGREEMENT



Birketts LLP: Offices in Cambridge | Chelmsford | Ipswich | London | Norwich

www.birketts.co.uk

THIS AGREEMENT is made on the 6th day of November 2020.

BETWEEN

- (1) The several persons whose names and addresses are set out in Schedule 1 (**Sellers**);
- (2) PlantX Life Inc. incorporated and existing under the laws of the Province of British Columbia company number BC0922804 whose principle office is at 504, 100 Park Royal S. West Vancouver, BC V7T 1A2, Canada (**Buyer**).

BACKGROUND

- (A) The Company is a private company limited by shares incorporated in England and Wales.
- (B) The Company has in issue 3,384,187 ordinary shares of £0.00005 each.
- (C) Further particulars of the Company at the date of this agreement are set out in Schedule 2.
- (D) The Sellers are the owners, or are otherwise able to procure the transfer, of the legal and beneficial title to the number of Sale Shares set out opposite their respective names in column 2 of Schedule 1.
- (E) The Sellers have agreed to sell and the Buyer has agreed to buy the Sale Shares subject to the terms and conditions of this agreement.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 The definitions and rules of interpretation in this clause apply in this agreement.

Accounts the audited accounts of the Company (prepared under section 394 of the CA 2006 and audited by Azets (www.azets.co.uk)) for the accounting period ended on the Accounts Date, including the statement of cash flows and statement of changes in equity for the accounting period ended on the Accounts Date, and the related notes to the accounts as required by law and applicable accounting standards, copies of which are included in the Disclosure Bundle.

Accounts Date 31 August 2020.

Business the business carried on by the Company, namely the offering of plant subscriptions and statement plants helping to reconnect people with nature and the wellbeing benefits of living with plants, or any part of it.

Business Day a day other than a Saturday, Sunday or public holiday in England or British Columbia, Canada when banks in London or British Columbia, Canada are open for business.

Buyer Share Issue Documents	those documents listed in Part 2 of Schedule 3.
Buyer's Lawyers	Gowling WLG (UK) LLP of 4 More London Riverside, London, SE1 2AU, United Kingdom.
Buyer Proportion	the proportion of each Sellers' entitlement to the Purchase Price as set out against that Seller's name in column 5 of Schedule 1.
Buyer Shares	has the meaning given in clause 3.1.2.
CA 2006	the Companies Act 2006.
Cash Element	has the meaning given in clause 3.1.1.
Claim	a claim for breach of any of the Warranties or claim for any other breach of this agreement, including any Indemnity Claim and Tax Claim (as the case may be).
Common Shares	means the common shares in the capital of the Buyer.
Company	Bloomboxclub Limited, a company incorporated and registered in England and Wales with company number 09791800, whose registered office is at Unit 1.G.01 The Leathermarket, Weston Street, London, England, SE1 3ER, further details of which are set out in Schedule 2.
Completion	completion of the sale and purchase of the Sale Shares in accordance with this agreement.
Completion Date	the date of this agreement.
Confidential Information	any information relating to the Company or its Business, including information relating to identifiable individuals (Personal Information), whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, but excluding information, other than Personal Information which: (a) was available to or known by the public before the date of the Letter of Intent; (b) was or is obtained from a source other than the Company, the Sellers or any person bound by a duty of confidentiality to the Company, the Sellers or the Business; or (c) is or becomes available to or known by the public other than as a result of improper disclosure by the Buyer or any of its representatives, advisors or lenders.
Connected	has, in relation to a person, the meaning given in section 1122 of the CTA 2010.
Control	has the meaning given in section 1124 of the CTA 2010, and the expression change of Control shall be construed accordingly.
Convertible Securities	means any security convertible, exchangeable or exercisable for or into, with or without consideration, Common Shares or other equity or voting securities of the Buyer, including any convertible debt securities, warrants, options or other rights issued by the Buyer.

CSE	the Canadian Securities Exchange.
CTA 2009	the Corporation Tax Act 2009.
CTA 2010	the Corporation Tax Act 2010.
Data Protection Laws	all laws (whether of the UK or any other jurisdiction) relating to the use, protection and privacy of Personal Data (including, without limitation, the privacy of electronic communications) which are from time to time applicable to the Company (or any part of its business).
Data Room	the online data room relating to the Company hosted by hosted by the Sellers' Lawyers containing such documents and information made available to the Buyer and its advisors as listed in the Data Room index attached to the Disclosure Letter and as contained in the Disclosure Bundle.
Deed of Termination	the deed of termination of the Shareholders' Agreement, in the agreed form, executed by the parties to the Shareholders' Agreement.
Director	each person who is a director or shadow director of the Company, as set out in Schedule 2.
Disclosed	Fairly disclosed (in such manner and in such detail as to enable a buyer acting reasonably to identify the nature and scope, and to make an informed assessment, of the matter, fact or circumstance disclosed) in or under the Disclosure Letter.
Disclosure Bundle	the bundle of documents contained on a USB memory card which formed the Data Room hosted by the Sellers' Lawyers and which forms part of the Disclosure Letter.
Disclosure Letter	the letter, in agreed form, from the Sellers to the Buyer with the same date as this agreement and described as the Disclosure Letter, together with the Disclosure Bundle.
Employee	any person employed by the Company under a contract of employment.
Encumbrance	any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement.
Escrow Agent	Odyssey Trust Company.
Escrow Agreement	the escrow agreement, in the agreed form, executed by the Buyer, the Sellers' Representative, and the Escrow Agent.
1st Tranche	has the meaning given in clause 3.2.1.
Form 6 Filing	the Form 6 filing to be submitted to the CSE.
Form 9 Filing	the Form 9 filing to be submitted to the CSE.
FRS 102	Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland as issued

	by the Financial Reporting Council of the UK and in force for the accounting period ended on the Accounts Date.
Fundamental Warranties	those Warranties set out in paragraphs 1 and 2.2 of Schedule 4.
Governmental Authority	any legislative, executive, judicial or administrative body (including, for greater certainty, any ministry) or Person having jurisdiction in the relevant circumstances.
Group	in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a member of the Group .
HMRC	HM Revenue & Customs.
holding company	has the meaning given in clause 1.11.
Indemnity Claim	a claim for breach of any of the indemnities in clause 8.
Intellectual Property Rights	has the meaning given in Schedule 4.
International Jurisdiction	has the meaning given in clause 5.11.3.
Issue Price	has the meaning given in clause 3.2.1.
ITEPA 2003	the Income Tax (Earnings and Pensions) Act 2003.
Letter of Intent	a letter from the Buyer to the Sellers dated 23 September 2020 setting out the interest of the Sellers and the Buyer with respect to the Buyer's proposed purchase of the Sale Shares.
Management Accounts	the unaudited financial statements of the Company for the calendar months of September 2020 and October 2020 (copies of which are included in the Disclosure Bundle).
Market Receipts	on a day in relation to a Buyer Share, the amount of £ sterling (converted from Canadian dollars at the then prevailing spot rate of exchange of the Bank of England for the purchase of £ sterling with Canadian dollars in the London foreign exchange market at or about 11:00 on that day) raised by the sale of each Buyer Share sold in the market through a broker or other market trader on behalf of a Seller, net of all costs expenses attributable to such sale.
Market Sale	the sale by a Seller through a broker or other market trader of Buyer Shares through the facilities of the CSE.
Officers	has the meaning given in clause 5.8.
Order	any order, injunction, judgment, administrative complaint, decree, ruling, award, assessment, direction, instruction, penalty or sanction issued, filed or imposed by any Governmental Authority or arbitrator.

Pension Scheme	NEST (Pension Scheme registry number 12004537).
Person	includes a natural person, a firm, a corporation, partnership, limited partnership, joint venture, association, trust, government and any other form of incorporated or unincorporated organization or entity of any nature whatsoever.
Personal Data	has the meaning given to that term in the General Data Protection Regulation (EU) 2016/679 as it applies in England and Wales from time to time.
Public Disclosure Documents	means, collectively, all of the documents which have been filed by or on behalf of the Buyer from January 1, 2019 to the Completion Date under its profile on SEDAR.
Properties	the leasehold properties set out in Schedule 8.
Purchase Price	has the meaning given in clause 3.1.
Relevant Unreleased Buyer Shares	has the meaning given in Schedule 6.
Released Buyer Shares	has the meaning given in clause 3.4.
Sale Shares	the 3,384,187 ordinary shares of £0.00005 each in the capital of the Company, all of which are issued and fully paid, and which comprise the whole of the issued share capital of the Company.
Securities Restrictions	has the meaning given in clause 3.7.
Sellers' Lawyers	Birketts LLP.
Sellers' Representative	John Gilbert.
Shareholders' Agreement	the subscription and shareholders agreement between (1) the Company, (2) the Founders (as defined therein), (3) the Existing Investors (as defined therein) and (4) the New Investors (as defined therein) dated 6 September 2019.
subsidiary	has the meaning given in clause 1.11.
Tax	has the meaning given in Schedule 5.
Tax Authority	has the meaning given in Schedule 5.
Tax Claim	a claim under the Tax Covenant or for a breach of the Tax Warranties;
Tax Covenant	the tax covenant set out in Schedule 5.
Tax Warranties	the Warranties set out in Part 2 of Schedule 4.
TCGA 1992	the Taxation of Chargeable Gains Act 1992.

TIOPA 2010	the Taxation (International and Other Provisions) Act 2010.
TMA 1970	the Taxes Management Act 1970.
Transaction	the transaction contemplated by this agreement or any part of that transaction.
Transaction Documents	this agreement, the Disclosure Letter, Deed of Termination, the Escrow Agreement <i>Buyer Share Issue Documents</i> and any other document entered into by the parties on or about the date of this agreement in connection with the Transaction.
Unreleased Buyer Shares	has the meaning given in clause 3.2.
VATA 1994	the Value Added Tax Act 1994.
Warranties	the warranties given by the Sellers or the Warranting Sellers (as the case may be) pursuant to clause 5 and set out in Schedule 4.
Warranting Sellers	the Sellers excluding Crowdcube Nominees Ltd and FF Homecare & Hygiene Ltd.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this agreement.
- 1.3 References to clauses and Schedules are to the clauses of and Schedules to this agreement and references to paragraphs are to paragraphs of the relevant Schedule.
- 1.4 The Schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the Schedules.
- 1.5 A reference to this agreement or any other agreement or document referred to in this agreement, is a reference to this agreement or such other agreement or document as varied or novated (in each case, other than in breach of the provisions of this agreement) from time to time.
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.9 This agreement shall be binding on and enure to the benefit of, the parties to this agreement and their respective personal representatives, successors and permitted assigns, and references to a **party** shall include that party's personal representatives, successors and permitted assigns.
- 1.10 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.11 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the CA 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 1.11.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 1.11.2 its nominee.
- 1.12 A reference to the Sellers shall include a reference to each of them.

- 1.13 Unless expressly provided otherwise in this agreement, a reference to **writing** or **written** includes email.
- 1.14 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.15 References to a document in agreed form are to that document in the form agreed by the parties and initialled by them or on their behalf for identification.
- 1.16 Unless the context requires otherwise, a reference to any statute or statutory provision includes:
- 1.16.1 such provision as amended, extended, consolidated or re-enacted from time to time on or before the date of this agreement, provided that, as between the parties, no such amendment, extension, consolidation or re-enactment made after the date of this agreement shall apply for the purposes of this agreement to the extent that it would impose any new or extended obligation, liability or restriction on, or otherwise adversely affect the rights of, any party;
- 1.16.2 any previous statute or statutory provision which it has superseded or re-enacted (with or without modification); and
- 1.16.3 all subordinate legislation made from time to time under that statute or statutory provision and which is in force at the date of this agreement.
- 1.17 Any reference to an English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to that which most nearly approximates to the English legal term in that jurisdiction.
- 1.18 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.

2. **SALE AND PURCHASE**

- 2.1 On the terms of this agreement, at Completion the Sellers shall sell and the Buyer shall buy the Sale Shares with full title guarantee and free from all Encumbrances, together with all rights that attach (or may in the future attach) to the Sale Shares including, in particular, the right to receive all dividends and distributions declared, made or paid on or after the Completion Date.
- 2.2 Each Seller waives any rights of pre-emption or other restrictions on transfer in respect of the Sale Shares (or any of them) conferred by the Company's articles of association or otherwise and shall, before Completion, procure the irrevocable waiver of any such rights or restrictions conferred on any other person who is not a party to this agreement.
- 2.3 The Buyer is not obliged to complete the purchase of any of the Sale Shares unless the purchase of all the Sale Shares is completed simultaneously.

3. **PURCHASE PRICE**

- 3.1 The total consideration for the sale of the Sale Shares is the sum of £8,000,000 (**Purchase Price**) and shall be split pro-rata between the Sellers as follows:
- 3.1.1 £560,000 in cash payable at Completion in accordance with clause 3.5 (**Cash Element**).
- 3.1.2 £7,440,000 shall be satisfied by the issuance of 10,782,559 common shares of Can\$1.17 each in the capital of the Buyer (**Buyer Shares**) to the Sellers on a pro-rata basis, calculated as follows:

Number of Buyer Shares = A/B

Where:

A = amount of consideration allocated to that Seller in column 3 of Schedule 1

B = the issue price of each Buyer Share of C\$1.17 per Buyer Share (**Issue Price**), being the amount equal to the volume weighted average price of the Common Shares on the CSE for the 10 trading days immediately prior to the public announcement of the proposed transaction.

3.2 Whilst the number of Buyer Shares will be calculated as at Completion in accordance with clause 3.1.2, each Sellers' entitlement to their respective number of Buyer Shares shall only be released to that Seller in compliance with the following release plan:

- 3.2.1 20% of the Buyer Shares at Completion (**1st Tranche**);
- 3.2.2 15% of the Buyer Shares on the three-month anniversary of Completion;
- 3.2.3 15% of the Buyer Shares on the six-month anniversary of Completion;
- 3.2.4 15% of the Buyer Shares on the nine-month anniversary of Completion;
- 3.2.5 15% of the Buyer Shares on the twelve-month anniversary of Completion;
- 3.2.6 10% of the Buyer Shares on the fifteen-month anniversary of Completion; and
- 3.2.7 the remaining 10% of the Buyer Shares on the eighteen-month anniversary of Completion, and

at any relevant time, those Buyer Shares which at that time shall not have been so vested and released to the Sellers, shall be referred to in this agreement as **Unreleased Buyer Shares**.

3.3 The Cash Element shall be apportioned between the Sellers as set out opposite their respective names in column 4 of Schedule 1.

3.4 At any time when Buyer Shares shall vest by being so released to the Sellers in accordance with clause 3.2, each Seller shall be entitled to his/her proportion (as corresponds to that Seller in column 5 of Schedule 1) (rounded down to the nearest whole number) of the total number of Buyer Shares so vesting at that time (and referred to as **Released Buyer Shares**).

3.5 All payments to be made to the Sellers under this agreement shall be made in sterling by electronic transfer of immediately available funds to the Sellers' Lawyers (who are irrevocably authorised by the Sellers to receive the same). Payment in accordance with this clause shall be a good and valid discharge of the Buyer's obligations to pay the sum in question, and the Buyer shall not be concerned to see the application of the monies so paid.

3.6 The Purchase Price shall be deemed to be reduced by the amount of any payment made to the Buyer for each and any Claim, Indemnity Claim or claim under the Tax Covenant.

3.7 Save for any restrictions imposed by BC Instrument 72-503 – Distributions of Securities outside British Columbia (**Securities Restrictions**), each Seller shall be entitled to sell, transfer or otherwise dispose of any Buyer Shares held by it freely without restriction.

4. **COMPLETION**

4.1 Completion shall take place on the Completion Date immediately after the execution of this agreement at such place as is agreed by the parties.

4.2 At Completion:

- 4.2.1 the Sellers shall:

- 4.2.1.1 deliver or cause to be delivered to the Buyer the items listed in paragraph 1 of Schedule 3;
- 4.2.1.2 procure that a board meeting of the Company is held at which the matters set out in paragraph 2 of Schedule 3 are carried out; and
- 4.2.1.3 deliver any other documents referred to in this agreement as being required to be delivered by the Sellers at Completion; and
- 4.2.2 the Buyer shall (subject to the Sellers complying with their obligations in clause 4.2.1) pay the Cash Element in accordance with clause 3.1 and issue the Buyer Shares in accordance with clause 3.2 and deliver to the Sellers:
 - 4.2.2.1 a signed acknowledgement of the Disclosure Letter; and
 - 4.2.2.2 a certified copy of the resolutions of the Buyer's board of directors approving the Transaction and the execution and delivery of the Transaction Documents to be delivered by the Buyer at Completion.

5. WARRANTIES

- 5.1 The Sellers acknowledge that the Buyer is entering into this agreement on the basis of, and in reliance on, the Warranties.
- 5.2 Each of the Sellers warrants to the Buyer that, except as Disclosed, each Fundamental Warranty is true, accurate and not misleading as at the date of this agreement.
- 5.3 Each of the Warranting Sellers warrants to the Buyer that, except as Disclosed, each Warranty is true, accurate and not misleading as at the date of this agreement.
- 5.4 Warranties qualified by the expression **so far as the Sellers are aware** or any similar expression are deemed to be given to the best of the knowledge, information and belief of the Sellers after they have made all reasonable enquiries including (but not limited to) enquiries of the Directors of the Company, Laura Dinnage and the professional advisers to the Company, including their legal advisers and auditors.
- 5.5 Each of the Warranties is separate and, unless otherwise specifically provided, is not limited by reference to any other Warranty or any other provision in this agreement.
- 5.6 Except for the matters Disclosed, no information of which the Buyer (or any of its agents or advisers) has knowledge (in each case whether actual, constructive or imputed), or which could have been discovered (whether by investigation made by the Buyer or on its behalf), shall prejudice or prevent any Claim or reduce the amount recoverable under any Claim.
- 5.7 The following matters shall be treated as Disclosed to the Buyer by the Sellers:
 - 5.7.1 all facts and matters contained or referred to in the Disclosure Letter;
 - 5.7.2 the contents of the Data Room, this agreement and all transactions herein envisaged, whether expressly or by necessary implication;
 - 5.7.3 the Accounts and all information which is contained in the Accounts or referred to therein;
 - 5.7.4 all matters and information which would have been revealed by a search of the microfiche of the Company's file at Companies House on the date one Business Day before the date of this agreement.

- 5.8 The Sellers agree that the supply of any information by or on behalf of the Company or any of their respective employees, directors, agents or officers (**Officers**) to the Sellers or their advisers in connection with the Warranties, the Disclosure Letter or otherwise shall not constitute a warranty, representation or guarantee as to the accuracy of such information in favour of the Sellers. The Sellers unconditionally and irrevocably waive all and any rights and claims that they may have against any of the Company or the Officers on whom they have, or may have, relied in connection with the preparation of the Disclosure Letter, or agreeing the terms of this agreement, and further undertake to the Buyer, the Company and the Officers not to make any such claims.
- 5.9 For the avoidance of doubt, the Buyer's rights and remedies in respect of any Claim or claim under the Tax Covenant shall not be affected by Completion.
- 5.10 The Buyer warrants to the Sellers as follows:
- 5.10.1 The Buyer is a company duly incorporated and validly existing under the laws of the Province of British Columbia.
- 5.10.2 The Buyer has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement. The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement have been duly authorised by all necessary corporate action on the part of the Buyer.
- 5.10.3 This Agreement has been duly executed and delivered by the Buyer and constitutes a valid and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforcement of creditors' rights generally, and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults.
- 5.10.4 None of the execution and delivery of this Agreement by the Buyer, the performance of the Buyer's obligations under this Agreement, or the completion by the Buyer of the transactions contemplated by this Agreement, will result in or constitute a breach of any term or provision of, or constitute a default under, the notice of articles and articles of the Buyer or any agreement or other commitment to which the Buyer is a party.
- 5.10.5 Other than the Form 9 Filing, the Form 6 Filing and the Form 45-106F1 filing within 10 days of the Completion Date and the payment of all fees in connection therewith, no authorization, approval, order or consent of, or filing with, any Governmental Authority is required on the part of the Buyer in connection with the execution, delivery and performance of this agreement or any other documents and agreements to be delivered under this agreement.
- 5.10.6 The Buyer has on the date hereof, and shall have on the Completion Date, sufficient available funds to pay the Cash Element and all other necessary fees, expenses and other amounts in connection with the consummation of the transactions contemplated by this agreement and the other Transaction Documents.
- 5.10.7 The authorized share capital of the Buyer consists of an unlimited number of Common Shares, of which 54,462,036 of Common Shares were issued and outstanding as fully paid and non-assessable as at the date of this agreement. Other than Common Shares which are reserved for issuance upon the exercise of outstanding stock options and Common Shares which are reserved for issuance upon the exercise of outstanding common share purchase warrants, there are no outstanding Convertible Securities as at the date hereof. At the Completion Date, the Buyer will have taken all necessary action to authorise the

issuance of the Buyer Shares, and such shares will, at the time of issuance, be validly issued and fully paid and non-assessable shares in the capital of the Buyer.

- 5.10.8 The issuance of the Buyer Shares will not be subject to pre-emptive or other similar rights of any security holder of the Buyer.
- 5.10.9 The Common Shares are listed and posted for trading on the CSE, and no Order having the effect of suspending the sale or ceasing the trading of such shares has been issued by any securities regulatory authority or the CSE and is continuing in effect and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Buyer, contemplated or threatened by any such authority.
- 5.10.10 The Buyer is a reporting issuer and is not included in any list of defaulting reporting issuers maintained by the applicable Canadian securities commissions. The Buyer is in compliance in all material respects with corporate laws and its continuous disclosure obligations under applicable laws and the information and statements in the Public Disclosure Documents were true and correct as of the respective dates of such information and statements and at the time such documents were filed on SEDAR, do not contain any misrepresentations and no material facts have been omitted therefrom which would make such information materially misleading, and the Buyer has not filed any confidential material change reports which remain confidential as of the date hereof.
- 5.10.11 The issuance by the Buyer of Buyer Shares to the Sellers will be exempt from the prospectus requirements of applicable securities laws and no document will be required to be filed and no proceeding taken or approval, permit, consent, order or authorization obtained under any such laws in connection with the first trade of such Buyer Shares (assuming that, at the time of such trade, at least four (4) months and a day have elapsed from the "distribution date" (as such term is defined in National Instrument 45-102 - *Resale of Securities* ("NI 45-102"))); such trade is not a "control distribution" as defined in NI 45-102; no unusual effort is made to prepare the market or create a demand for the security that is the subject of the trade; no extraordinary commission or consideration is paid to a Person in respect of the trade; and, if the selling security holder is an insider or officer of the Buyer, the selling security holder has no reasonable grounds to believe that the Buyer is in default of "securities legislation" (as defined in National Instrument 14-101 - *Definitions*).
- 5.11 The Sellers acknowledge that the Buyer is relying on certain exemptions from the requirements under applicable Canadian securities laws to issue the Buyer Shares without a prospectus and therefore each Seller represents and warrants to the Buyer as at the date hereof that:
 - 5.11.1 The Seller is not a resident of the Province of British Columbia in Canada;
 - 5.11.2 The Seller is acquiring the Buyer Shares as principal;
 - 5.11.3 The securities laws of the relevant jurisdiction in which the Seller is resident (the "**International Jurisdiction**") do not require the Seller to make any filings or seek any approvals of any kind from any regulatory authority of any kind in the International Jurisdiction in connection with the issuance or resale of the Buyer Shares;
 - 5.11.4 The issuance of the Buyer Shares to the Sellers will not trigger:

- 5.11.4.1 Any obligation to prepare or file a prospectus or registration statement or similar document, or any other report with respect to that issuance, in the International Jurisdiction; or
 - 5.11.4.2 Any continuous disclosure reporting obligation of the Buyer in the International Jurisdiction; or
 - 5.11.4.3 Any registration or similar obligation of the Buyer in the International Jurisdiction.
- 5.11.5 The Seller will, if requested by the Buyer, deliver to the Buyer a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters in this Section 5.11 to the satisfaction of the Buyer, acting reasonably.

6. LIMITATIONS ON CLAIMS

- 6.1 Save as provided in clause 6.2, this clause 6 limits the liability of the Sellers in relation to any Claim and shall be limited as set out in Schedule 6.
- 6.2 Nothing in this clause 6 or Schedule 6 applies to exclude or limit the liability of the Sellers if and to the extent that a Claim arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by any of the Sellers, their agents or advisers.
- 6.3 The Sellers shall not plead the Limitation Act 1980 in respect of any claims made under the Tax Warranties or Tax Covenant.
- 6.4 Upon the Buyer, any member of the Buyer's group or the Company becoming aware of any claim, action, demand, suit or other matter likely to give rise to a Claim (other than a Tax Claim), the Buyer will, and will procure that the Company or the appropriate member of the Buyer's Group will:
- 6.4.1 as soon as practicable notify the Sellers' Representative in writing as soon as it appears to the Buyer that the Sellers are or may become liable under this agreement;
 - 6.4.2 take such action and give such information and access to personnel, premises, property, documents and records to the Sellers' Representative and their professional advisers as the Sellers may reasonably request and the Sellers' Representative shall be entitled to prior notification of any actions being considered by the Buyer and shall be entitled to have their views on how any such matter be conducted, including giving such information and assistance in order to avoid, dispute, resist, mitigate, settle, compromise, defend or appeal any such claim, action, demand, suit or other matter.

7. TAX COVENANT

The provisions of Schedule 5 apply in this agreement in relation to Tax.

8. INDEMNITIES

- 8.1 Without limiting any other rights or remedies the Buyer may have, the Warranting Sellers shall indemnify the Buyer and the Company against, and shall pay to the Buyer a sum equal to, all liabilities, contributions, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered, sustained or incurred by the Buyer or the Company arising out of or in connection with any of the following matters:

- 8.1.1 any claim by any individual engaged during the 6 months period prior to the Completion Date by the Company on a self-employed basis (including as a freelancer) claiming that they have been or are now an employee or worker of the Company in respect of the period prior to and including the Completion Date, whether in connection with the termination of the provision of services or otherwise and whether under common law, contract, statute or otherwise;
 - 8.1.2 any failure by the Company to comply with its automatic enrolment and associated duties under the Pensions Act 2008 and associated legislation on or before the Completion Date;
 - 8.1.3 any failure by the Company to comply with its obligations of having in place appropriate policy documents, records of processing activities as well as consent and information notices as requested under the Data Protection Laws for the processing activities directed by the Company; and
 - 8.1.4 any failure to comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act 2010.
- 8.2 Any payment made by the Warranting Sellers in respect of an Indemnity Claim shall include:
- 8.2.1 an amount in respect of all costs and expenses reasonably incurred by the Buyer or the Company in bringing the relevant Indemnity Claim (including a reasonable amount in respect of management time); and
 - 8.2.2 any amount necessary to ensure that, after the deduction of any Tax due on the payment, the Buyer or the Company (as the case may be) is left with the same amount it would have had if the payment was not subject to Tax.
- 8.3 The Buyer shall not be entitled to make a Claim under the provisions of clause 8.1.3 or under warranties set out in paragraph 22 of Schedule 4 (DP Claim), without first using all reasonable endeavours to seek recovery against Shopify International Limited and/or ReCharge, Inc. (the processors of data used by the Company before Completion) which shall, where applicable, include seeking appropriate allocation of, or exemption from, liability and/or recovery of compensations paid under Article 82 of the GDPR (as defined in paragraph 22 of Schedule 4) (Recovery Obligations); It has been agreed that the Buyer shall not be obliged to make a Recovery Obligation if it does not reasonably believe (having taken appropriate professional advice) that to do so would or might reasonably be expected to result in a material and effective reduction in any such liability; and liability of the Sellers for a DP Claim shall be reduced or extinguished to the extent that the Buyer obtains actual recovery (less associated reasonable costs) from implementing the Recovery Obligation. .
- 8.4 The Sellers shall also have no liability to the extent that the matter giving rise to the DP Claim arises from any voluntary act, omission or transaction of the Buyer or member of the Buyer's Group on or after Completion.

9. RESTRICTIONS ON THE SELLERS

- 9.1 In this clause, the following words and expressions shall have the following meanings:

"Prospective Customer"; a person who is at Completion, or who has been at any time during the period of 12 months immediately preceding the Completion Date, in discussions with the Company with a view to becoming a client or customer of the Company.

"Restricted Business"; any business that is or would be in competition with any part of the Business as it is being carried on at the Completion Date.

"Restricted Customer"; any person who is at Completion, or who has been at any time during the period of 12 months immediately preceding the Completion Date, a client or customer of, or in the habit of dealing with the Company.

"Restricted Person"; any person who is at Completion, or who has been at any time during the period of 12 months immediately preceding the Completion Date, employed or directly or indirectly engaged by the Company.

9.2 Each Director and officer of the Company and each Seller holding 10% or more of the Sale Shares (**Restricted Seller**) immediately prior to Completion undertakes to each of the Buyer and the Company that he or she shall not:

9.2.1 at any time during the period of 24 months commencing on the Completion Date, in any geographic area in which the Business (or any part of it) is carried on at the Completion Date, carry on or be employed, engaged, concerned or interested in, or in any way assist, a Restricted Business;

9.2.2 at any time during the period of 24 months commencing on the Completion Date:

9.2.2.1 canvass, solicit or otherwise seek the custom of any Restricted Customer or Prospective Customer; or

9.2.2.2 induce or attempt to induce a Restricted Customer or Prospective Customer to cease or refrain from conducting business with, or to reduce the amount of business conducted with, or to vary adversely the terms upon which it conducts business with, the Company or any of the Subsidiaries, or do any other thing which is reasonably likely to have such an effect;

9.2.3 at any time during the period of 24 months commencing on the Completion Date, have any business dealings with a Restricted Customer or a Prospective Customer;

9.2.4 at any time during the period of 24 months commencing on the Completion Date, have any business dealings with, or solicit, entice or attempt to entice away, any person who is at Completion, or has been at any time during the period of 24 months immediately preceding the Completion Date, a supplier of goods or services to the Company, if such dealings, solicitation or enticement causes or is reasonably likely to cause such supplier to cease supplying, or to reduce its supply of goods or services to, the Company, or to vary adversely the terms upon which it conducts business with the Company;

9.2.5 at any time during the period of 24 months commencing on the Completion Date, offer employment to, enter into a contract for the services of, or otherwise entice or attempt to entice away from the Company, any Restricted Person, or procure or facilitate the making of any such offer or attempt by any other person;

9.2.6 at any time after Completion, use in the course of any business:

9.2.6.1 any of the words "Bloomboxclub", "Bloombox", "Bloom" and any variations thereof.

- 9.2.6.2 any trade or service mark, business or domain name, design or logo which, at Completion, is being or has been used by the Company in connection with the Business; or
- 9.2.6.3 any trade or service mark, business or domain name, design or logo which, at Completion, is being or has been used by the Company in connection with the Business; or
- 9.2.6.4 anything which, in the reasonable opinion of the Buyer, is capable of confusion with any of the words, marks, names, designs or logos referred to in clause 9.2.6.1 or clause 9.2.6.2
- 9.2.7 at any time after Completion, do or say anything which may be harmful to the reputation of the Company; or
- 9.2.8 at any time after Completion, present himself or herself (or permit himself or herself to be presented) as:
 - 9.2.8.1 connected in any capacity with the Company (save in the normal course of employment or engagement by Buyer (or another members of the Buyer's Group, including the Company) if such employment or engagement continues after Completion); or
 - 9.2.8.2 interested or concerned in any way in the Sale Shares (or any of them).
- 9.3 The undertakings in clause 9.2 are intended for the benefit of, and shall be enforceable by, each of the Buyer and the Company, and shall apply to actions carried out by the relevant Seller in any capacity (including as shareholder, partner, director, principal, consultant, officer, employee, agent or otherwise) and whether directly or indirectly, on the Seller's own behalf or on behalf of, or jointly with, any other person.
- 9.4 Nothing in clause 9.2 shall prevent any Restricted Seller from carrying out his/her duties and obligations in furtherance of their employment within the Buyer's Group after Completion.
- 9.5 Nothing in clause 9.2 shall prevent any Seller from holding for investment purposes only:
 - 9.5.1 units of any authorised unit trust; or
 - 9.5.2 not more than 5% of any class of shares or securities of any company traded on a recognised investment exchange (within the meaning of the Financial Services and Markets Act 2000).
- 9.6 Each of the undertakings in clause 9.2 is a separate undertaking by each Seller in relation to himself or herself and his or her interests and shall be enforceable by the Buyer, the Company and the Subsidiaries separately and independently of their right to enforce any one or more of the other undertakings contained in that clause.
- 9.7 The parties acknowledge that the Sellers have confidential information relating to the Business and that the Buyer is entitled to protect the goodwill of the Business as a result of buying the Sale Shares. Accordingly, each of the undertakings in clause 9.2 is considered fair and reasonable by the parties.
- 9.8 The consideration for the undertakings in clause 9.2 is included in the Purchase Price.
- 10. **CONFIDENTIALITY AND ANNOUNCEMENTS**
- 10.1 Each Seller undertakes to the Buyer and the Company that he or she shall:

- 10.1.1 keep confidential the terms of this agreement and the other Transaction Documents, and all confidential information, know how or trade secrets in their knowledge or possession concerning the business, affairs, customers, clients or suppliers of the Company or any member of the Buyer's Group;
 - 10.1.2 not disclose any of the information referred to in clause 10.1.1 (whether in whole or in part) to any third party, except as expressly permitted by this clause 10; and
 - 10.1.3 not make any use of any of the information referred to in clause 10.1.1, other than to the extent necessary for the purpose of exercising or performing their rights and obligations under this agreement.
- 10.2 Each Seller undertakes to the other Sellers that they shall keep confidential the terms of this agreement and the other Transaction Documents, and all and any confidential information in their knowledge or possession relating to the other Sellers, and they shall only use such information for the purposes contemplated by this agreement.
- 10.3 Nothing in this agreement shall be construed as imposing on the Buyer an obligation to keep confidential any information relating to the Company or to restrict its use of such information, in each case after Completion.
- 10.4 Notwithstanding any other provision of this agreement, no party shall be obliged to keep confidential or to restrict their use of any information that:
- 10.4.1 is or becomes generally available to the public other than as a result of its disclosure by that party (or any person to whom that party has disclosed the information in accordance with clause 10.5.1) in breach of this agreement; or
 - 10.4.2 was, is or becomes available to the relevant party on a non-confidential basis from a person who, to that party's knowledge, is not bound by a confidentiality agreement or otherwise prohibited from disclosing the information to that party.
- 10.5 The parties may disclose any information that they are otherwise required to keep confidential under this clause 10:
- 10.5.1 to any of their employees, officers, consultants, representatives or advisers who need to know such information for the purposes of advising on this agreement or facilitating the Transaction, provided that the party making the disclosure informs the recipients of the confidential nature of the information before disclosure and procures that the recipients shall, in relation to any such information disclosed to them, comply with the obligations set out in this clause 10 as if they were that party. The party making a disclosure under this clause shall, at all times, be liable for the failure of its recipients to comply with the obligations set out in this clause 10;
 - 10.5.2 with the prior consent in writing of all the other parties;
 - 10.5.3 if such information relates to one party only, with the prior consent in writing of that party;
 - 10.5.4 to confirm that the Transaction has taken place, or the date of the Transaction (but without otherwise revealing any other terms of the Transaction or making any other announcement); or
 - 10.5.5 if and to the extent that the disclosure is required:
 - 10.5.5.1 by the laws of any jurisdiction to which the relevant party making the disclosure is subject;

- 10.5.5.2 by an order of any court of competent jurisdiction, or any regulatory, judicial, governmental or similar body, or any Tax Authority or securities exchange of competent jurisdiction;
 - 10.5.5.3 to make any filing with, or obtain any authorisation from, any regulatory, governmental or similar body, or any Tax Authority or securities exchange of competent jurisdiction; or
 - 10.5.5.4 to protect the disclosing party's interest in any legal proceedings,
- provided that in each case (and to the extent they are legally permitted to do so) the party making the disclosure gives the other parties as much notice of the disclosure as possible and, where notice of disclosure is not prohibited and is given in accordance with this clause, it takes into account the reasonable requests of the other parties concerning the content of the disclosure.
- 10.6 Each party shall supply the other parties (or any of them) with such information about itself, its Group or this agreement as they may reasonably require for the purposes of satisfying the requirements of any law or any judicial, governmental, regulatory or similar body or any Tax Authority or securities exchange of competent jurisdiction.
 - 10.7 Subject to clause 10.8 to clause 10.10 (inclusive), no party shall make, or permit any person to make, any public announcement, communication or circular concerning this agreement or the Transaction (announcement) without the prior written consent of the other parties (such consent not to be unreasonably withheld or delayed).
 - 10.8 Nothing in clause 10.7 shall prevent a party from making an announcement required by law or any governmental or regulatory authority (including any Tax Authority), any securities exchange, or any court or other authority of competent jurisdiction, provided that the party required to make the announcement consults with the other parties and takes into account their reasonable requests concerning the content of the announcement before it is made.
 - 10.9 The parties shall issue a press release in agreed form immediately after Completion.
 - 10.10 The Buyer may at any time after Completion announce its acquisition of the Sale Shares to any employees, clients, customers or suppliers of the Company or any other member of the Buyer's Group.
 - 11. **FURTHER ASSURANCE**
 - 11.1 At their own expense, the Sellers shall (and shall use reasonable endeavours to procure that any relevant third party shall) promptly execute and deliver such documents and perform such acts as the Buyer may reasonably require from time to time for the purpose of giving full effect to this agreement.
 - 11.2 Each Seller undertakes to the Buyer that, if and for so long as they remain the registered holder of any of the Sale Shares after Completion, they shall:
 - 11.2.1 hold such Sale Shares, together with all dividends and any other distributions of profits or other assets in respect of such Sale Shares, and all rights arising out of or in connection with them, in trust for the Buyer;
 - 11.2.2 deal with and dispose of such Sale Shares, dividends, distributions, assets and rights as the Buyer shall direct;
 - 11.2.3 exercise all voting rights attached to such Sale Shares in such manner as the Buyer shall direct; and

- 11.2.4 if required by the Buyer, execute all instruments of proxy or other documents as may be necessary to enable the Buyer to attend and vote at any meeting of the Company.
- 11.3 In a timely and expeditious manner following the public announcement of the proposed transaction, Sellers shall provide to Buyer all information as may be reasonably requested by Buyer or as required by applicable laws with respect to Sellers, the Company and its businesses and properties for inclusion in the Form 9 Filing and in any amendment or supplement thereto that complies in all material respects with all applicable laws and containing all material facts relating to it required to be disclosed in the Form 9 Filing, and not containing any misrepresentation (as defined under applicable securities laws) with respect thereto.
- 12. WAIVER OF RIGHTS – NO CLAIMS AGAINST THE COMPANY**
- 12.1 Each of the Sellers confirms that:
- 12.1.1 the Company has no liability, obligation or commitment of any kind to him or any persons Connected with that Seller; and
- 12.1.2 no circumstances or arrangements exist under which the Company could have any liability, obligation or commitment of any kind to him or any persons Connected with that Seller.
- 12.2 To the extent that any such liability, obligation or commitment exists (without prejudice to clause 12.1), each of the Sellers irrevocably and unconditionally (at the point immediately prior to Completion):
- 12.2.1 waives any and all rights which he may have or be entitled to exercise or which may arise (now or in the future and whether now known or not) in relation to any such liability, obligation or commitment; and
- 12.2.2 releases the Company from any and all liabilities, obligations and commitments which may be owing by the Company to him or any persons Connected with that Seller (except for any liability, obligation or commitment arising in the ordinary course of trade or by reasons of being employed or a consultant).
- 12.3 This clause 12 shall not exclude any liability, obligation or commitment arising directly out of any fraud on the part of the Company.
- 13. ASSIGNMENT**
- 13.1 Subject to the further provisions of this clause¹³, no party shall assign, transfer, mortgage, charge, declare a trust of, or deal in any other manner with any or all of its rights and obligations under this agreement or any other Transaction Document.
- 13.2 The Buyer may assign or transfer its rights (but not its obligations) under this agreement (or any other Transaction Document) to another member of its Group, provided that, if that company ceases to be a member of the Buyer's Group, the Buyer shall procure that any such company assigns any rights assigned to it in accordance with this clause 13 back to the Buyer or to such other member of the Buyer's Group as it may nominate immediately before that company ceases to be a member of the Buyer's Group.
- 13.3 If there is an assignment or transfer of any of the Buyer's rights under this agreement in accordance with clause 13.2:
- 13.3.1 the Sellers may discharge their obligations under this agreement to the Buyer until they receive notice of the assignment or transfer; and

13.3.2 the assignee or transferee may enforce this agreement as if it were named in this agreement as the Buyer, but the Buyer shall remain liable for any obligations under this agreement.

14. NO AGENCY

The parties confirm they are acting on their own behalf in relation to the Transaction and not for the benefit of any other person.

15. ENTIRE AGREEMENT

This agreement (together with the other Transaction Documents) constitutes the entire agreement between the parties and supersedes and extinguishes all previous discussions, correspondence, negotiations, drafts, agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter.

16. VARIATION AND WAIVER

16.1 No variation of this agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

16.2 A waiver of any right or remedy under this agreement or by law is only effective if given in writing and signed by the person waiving such right or remedy. Any such waiver shall apply only to the circumstances for which it is given and shall not be deemed a waiver of any subsequent breach or default.

16.3 A failure or delay by any person to exercise any right or remedy provided under this agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

16.4 A party that waives a right or remedy provided under this agreement or by law in relation to one party, or takes or fails to take any action against that party, does not affect its rights in relation to any other party.

17. COSTS

Except as expressly provided in this agreement, each party shall pay its own costs and expenses incurred in connection with the negotiation, preparation and execution of this agreement and the other Transaction Documents.

18. NOTICES

18.1 For the purposes of this clause 18, but subject to clause 18.7, notice includes any other communication between the parties.

18.2 A notice given to a party under or in connection with this agreement:

18.2.1 shall be in writing and in English;

18.2.2 shall be signed by or on behalf of the party giving it;

18.2.3 shall be sent to the party for the attention of the contact and to the address or email address specified in Schedule 1 or clause 18.4 (as the case may be), or to such other contact or address or email address as that party may notify in accordance with clause 18.5; and

- 18.2.4 shall be:
- 18.2.4.1 delivered by hand;
 - 18.2.4.2 sent by pre-paid first class post or another next working day delivery service providing proof of delivery;
 - 18.2.4.3 sent by pre-paid airmail providing proof of delivery; or
 - 18.2.4.4 sent by email.
- 18.3 Any notice to be given under this agreement to or by:
- 18.3.1 all the Sellers, shall be deemed to have been properly given if it is given to or by (as the case may be) the Sellers' Representative specified in clause 18.4; or
 - 18.3.2 some of the Sellers only, shall be given to or by (as the case may be) the relevant Seller and, in the case of a notice given to a Seller, to the address or email address as set out in Schedule 1.
- 18.4 The addresses or email addresses and contacts for service of notices on the Buyer and the Sellers' Representative are:
- 18.4.1 Buyer
 - 18.4.1.1 address: 504, 100 Park Royal S. West Vancouver, BC V7T 1A2, Canada
 - 18.4.1.2 for the attention of: Lorne Rapkin
 - 18.4.1.3 email address: lorne@plantx.com
 - 18.4.2 Sellers' Representative
 - 18.4.2.1 name: John Gilbert
 - 18.4.2.2 address:
 - 18.4.2.3 email address:
- 18.5 A party may change its details for service of notices as specified in clause 18.4 or Schedule 1 (as the case may be) by giving notice. Any notice of a change to the identity of the Sellers' Representative must be signed by all the Sellers to be effective. Any change notified pursuant to this clause shall take effect at 9.00 am on the later of:
- 18.5.1 the date, if any, specified in the notice as the effective date for the change; and
 - 18.5.2 the date five Business Days after deemed receipt of the notice of change.
- 18.6 A notice is deemed to have been received (provided that all other requirements in this clause have been satisfied):
- 18.6.1 if delivered by hand, on signature of a delivery receipt;
 - 18.6.2 if sent by pre-paid first class post or another next working day delivery service providing proof of delivery, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service;
 - 18.6.3 if sent by pre-paid airmail providing proof of postage, at 9.00 am on the fifth Business Day after posting; or

18.6.4 if sent by email, at the time of transmission,

provided that if deemed receipt under the previous paragraphs of this clause 18.6 would occur outside Usual Business Hours, the notice shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this clause, Usual Business Hours means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice (which, in the case of service of a notice by email shall be deemed to be the same place as is specified for service of notices on the relevant party by hand or post).

18.7 This clause 18 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

18.8 A notice given under or in connection with this agreement is valid if sent by email.

19. OBLIGATIONS

19.1 Unless expressly provided otherwise:

19.1.1 John Gilbert and Katie Gilbert shall be jointly and severally liable for their obligations, undertakings and liabilities under this agreement; and

19.1.2 the Sellers (excluding John Gilbert and Katie Gilbert) shall be severally but not jointly liable for their obligations, undertakings and liabilities under this agreement.

19.2 The Buyer may take action against, grant time or other indulgence to, or release or compromise in whole or part the liability of, any one or more of the Sellers in respect of any warranty, indemnity, representation or other obligation under this agreement without affecting the liability of any of the other Sellers who are liable in respect of that warranty, indemnity, representation or other obligation.

20. INTEREST

20.1 If a party fails to make any payment due to any other party under this agreement by the due date then the defaulting party shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment.

20.2 Interest under this clause will accrue each day at 4% a year above the Bank of England's base rate from time to time, but at 4% a year for any period when that base rate is below 0%.

21. SEVERANCE

If any provision or part-provision of this agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this agreement.

22. AGREEMENT SURVIVES COMPLETION

This agreement (other than obligations that have already been fully performed) remains in full force after Completion.

23. THIRD PARTY RIGHTS

23.1 Except as expressly provided in clause 23.2, this agreement does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement.

23.2 The following provisions are intended to benefit future buyers of the Sale Shares and (to the extent that they are identified in the relevant clauses as recipients of rights or benefits under

that clause), the Company and the Officers (as defined in clause 5.8), and shall be enforceable by each of them to the fullest extent permitted by law:

- 23.2.1 Clause 5 and Schedule 4 (Warranties) (subject to clause 6 (Limitations on claims));
- 23.2.2 Clause 7 and Schedule 5 (Tax Covenant);
- 23.2.3 Clause 8 (Indemnities);
- 23.2.4 Clause 9 (Restrictions on Sellers)
- 23.2.5 Clause 10 (Confidentiality and announcements); and
- 23.2.6 Clause 20 (Interest).

23.3 The rights of the parties to rescind or vary this agreement are not subject to the consent of any other person.

24. COUNTERPARTS

24.1 This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

24.2 Transmission of an executed counterpart of this agreement (but for the avoidance of doubt not just a signature page) or the executed signature page of a counterpart of this agreement by email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this agreement. If this method of delivery is adopted, without prejudice to the validity of the agreement thus made, each party shall provide the others with the "wet-ink" counterpart as soon as reasonably possible thereafter.

25. RIGHTS AND REMEDIES

Except as expressly provided in this agreement, the rights and remedies provided under this agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

26. INADEQUACY OF DAMAGES

Without prejudice to any other rights or remedies that the Buyer may have, the Sellers acknowledge and agree that damages alone would not be an adequate remedy for any breach of the terms of clause 8 or clause 10 by a Seller. Accordingly, the Buyer shall be entitled to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the terms of clause 8 or clause 10 of this agreement.

27. GOVERNING LAW AND JURISDICTION

27.1 This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

27.2 Each party irrevocably agrees that the courts of England and Wales shall have non-exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement or its subject matter or formation.

This agreement has been entered into on the date stated at the beginning of it.

SCHEDULE 1
PARTICULARS OF THE SELLERS

Part 1 - Sales Shares and consideration split

Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Seller's Name	Sale Shares	Purchase Price	Cash Element	Buyer Proportion	Buyer Shares	1st Tranche
Katie Gilbert	943,488	2,230,345	156,124.14	27.88%	3,006,104	601,221
John Gilbert	811,355	1,917,991	134,259.37	23.97%	2,585,107	517,021
Lars Peter Busch	291,188	688,350	48,184.48	8.60%	927,771	185,554
FF Homecare & Hygiene Ltd	221,239	522,995	36,609.63	6.54%	704,903	140,981
Busch Invest Aps	207,452	490,403	34,328.22	6.13%	660,975	132,195
Lana Novak	127,600	301,638	21,114.67	3.77%	406,554	81,311
Andrew Houston	95,339	225,375	15,776.27	2.82%	303,765	60,753
Peter Redhead	88,840	210,012	14,700.84	2.63%	283,058	56,612
Gideon Reeves	87,381	206,563	14,459.41	2.58%	278,410	55,682
Colin Dartnell	67,818	160,317	11,222.22	2.00%	216,079	43,216
Offham Assets Ltd	60,956	144,096	10,086.72	1.80%	194,216	38,843
Dekko Holdings Ltd	60,903	143,971	10,077.95	1.80%	194,047	38,809
Ben Pritchard	57,200	135,217	9,465.20	1.69%	182,248	36,450
Sarah Lawton	45,800	108,268	7,578.78	1.35%	145,926	29,185
Crowdcube Nominees Ltd	45,576	107,739	7,541.71	1.35%	145,212	29,042
Vjenceslav Novak	37,600	88,884	6,221.88	1.11%	119,800	23,960
Alex Scott	31,063	73,431	5,140.17	0.92%	98,972	19,794
Julian Stortt	24,716	58,427	4,089.89	0.73%	78,749	15,750
Beena Goyal	15,226	35,993	2,519.53	0.45%	48,512	9,702
Ashish Goyal	15,226	35,993	2,519.53	0.45%	48,512	9,702
Nisha Goyal	15,226	35,993	2,519.53	0.45%	48,512	9,702
Ram Goyal	15,226	35,993	2,519.53	0.45%	48,512	9,702
Andrew Meikle	12,181	28,795	2,015.66	0.36%	38,811	7,762
Bruno Felgueiras	5,588	13,210	924.68	0.17%	17,804	3,561
Totals	3,384,187	8,000,000	560,000.00	100.00%	10,782,559	2,156,510

Part 2 – address and email address details

Seller's Name	Address
Katie Gilbert	
John Gilbert	
Lars Peter Busch	
FF Homecare & Hygiene Ltd	
Busch Invest Aps	
Lana Novak	
Andrew Houston	
Peter Redhead	
Gideon Reeves	
Colin Dartnell	
Offham Assets Ltd	
Dekko Holdings Ltd	
Ben Pritchard	
Sarah Lawton	
Crowdcube Nominees Ltd	
Vjenceslav Novak	
Alex Scott	
Julian Stortt	
Beena Goyal	
Ashish Goyal	
Nisha Goyal	
Ram Goyal	
Andrew Meikle	
Bruno Felgueiras	

SCHEDULE 2
PARTICULARS OF THE COMPANY

Name:	Bloomboxclub Limited
Registered number:	09791800
Registered office:	Unit 1.G.01 The Leathermarket, Weston Street, London, England, SE1 3ER
Issued share capital:	Amount: £169.20935 Divided into: 3,384,187 ordinary shares of £0.00005 each
Registered shareholders (and number of Sale Shares held):	As set out in Schedule 1.
Directors and shadow directors:	John Gilbert Katie Rose Gilbert Peter Redhead
Secretary:	None
Auditor:	Azets
Registered charges:	None

SCHEDULE 3

SELLERS' OBLIGATIONS AT COMPLETION

1. DOCUMENTS TO BE DELIVERED AT COMPLETION

- 1.1 At Completion, the Sellers shall deliver (or cause to be delivered) to the Buyer:
- 1.1.1 transfers of the Sale Shares, in agreed form, duly signed by the registered holders in favour of the Buyer (or its nominee);
 - 1.1.2 the definitive share certificates for the Sale Shares or an indemnity, in agreed form, for any lost certificates;
 - 1.1.3 any waivers, consents or other documents required to enable the Buyer (or its nominee) to be registered as the holder of the Sale Shares, in each case in agreed form (including, but not limited to, the waiver and consent from PostNL E-Commerce Services B.V. and the consent from Iwooca Ltd);
 - 1.1.4 an irrevocable power of attorney, in agreed form, given by each Seller in favour of the Buyer (or its nominee) to enable the attorney (or its proxies) to exercise all voting and other rights attaching to the Sale Shares in the period between Completion and registration of the transfer of the Sale Shares in the Company's register of members;
 - 1.1.5 a duly certified copy of any power of attorney under which any of the documents to be delivered to the Buyer under this paragraph 1 have been executed;
 - 1.1.6 the registers, minute books and other records required to be kept by the Company and under the CA 2006, in each case properly written up as at the Completion Date, together with the common seals (if any), certificates of incorporation and any certificates of incorporation on change of name for the Company;
 - 1.1.7 resignation letters, in agreed form and executed as a deed, from the Directors resigning from their respective offices with the Company, except for the following person who is not resigning: John Gilbert;
 - 1.1.8 a letter, in agreed form, confirming that each of Katie Rose Gilbert and John Gilbert have ceased to be a registrable person (within the meaning of section 790C of the CA 2006) in relation to the Company;
 - 1.1.9 a copy of the written resignation, in agreed form, of the auditor of the Company, including the relevant statement required by section 519 of the CA 2006, the original resignation having been deposited at the registered office of the Company;
 - 1.1.10 signed prints of the special resolution of the Company in agreed form to ratify:
 - 1.1.10.1 the variation and redesignation of the issued share capital of the Company; and
 - 1.1.10.2 the allotment of 697 ordinary shares of £0.01 each made on 19 December 2017 and a waiver of the pre-emption rights in relation thereto.
 - 1.1.11 signed minutes, in agreed form, of each of the board meetings held by the Company as required by paragraph 2 of this Schedule 3;
 - 1.1.12 in relation to the Company:
 - 1.1.12.1 statements from each bank at which it has an account, giving the balance of each account at the close of business on the last Business Day before Completion;

- 1.1.12.2 all cheque books in current use and written confirmation that no cheques have been written since the statements delivered above were prepared;
 - 1.1.12.3 details of its cash book balances; and
 - 1.1.12.4 reconciliation statements reconciling the cash book balances and the cheque books with the bank statements delivered above;
 - 1.1.13 all documents relating to each of the Properties;
 - 1.1.14 evidence, in agreed form, that all debts and accounts between the Company and the Sellers (or any person Connected with a Seller) have been fully paid or otherwise discharged;
 - 1.1.15 evidence, in agreed form, of the release of all guarantees or other security given by the Company in respect of the liabilities or obligations of any Seller or any other third party;
 - 1.1.16 confirmation that the salaries for Katie Rose Gilbert and Laura Dinnage will be increased with effect from Completion to levels agreed with each of them by alteration of their existing service agreements;
 - 1.1.17 the Disclosure Letter, duly executed by each of the Sellers;
 - 1.1.18 the Deed of Termination, duly executed by each of the parties to the Shareholders' Agreement; and
 - 1.1.19 the Escrow Agreement duly executed by each of the Sellers.
- 1.2 At Completion, the Buyer shall deliver (or cause to be delivered) to the Sellers:
- 1.2.1 the Escrow Agreement duly executed by the Buyer and Escrow Agent;
 - 1.2.2 a certificate of incumbency of the Buyer;
 - 1.2.3 treasury direction regarding the issuance of 11,826,032 Buyer Shares;
 - 1.2.4 certificate of status of the Buyer;
 - 1.2.5 share certificates representing the Buyer Shares registered in the names of each of the Sellers;
 - 1.2.6 an amended CSE Form 9 (notice of proposed issuance of listed securities);
 - 1.2.7 a CSE Form 6 (certificate of compliance);
 - 1.2.8 a letter from the Buyer to the CSE confirming Completion; and
 - 1.2.9 a legal opinion pursuant to section 3.4 of CSE Policy 6 (Distributions).

2. COMPLETION BOARD MEETINGS

- 2.1 The Sellers shall cause a board meeting of the Company to be held at Completion, at which the following matters are approved:
- 2.1.1 in the case of the Company only, the registration of the transfers of the Sale Shares delivered in accordance with paragraph 1.1.1 of this Schedule 3, subject only to the transfers being duly stamped at the Buyer's cost;
 - 2.1.2 acceptance of the resignations referred to in paragraph 1.1.7 of this Schedule 3, with effect from the end of the relevant board meeting;

- 2.1.3 the appointment of the persons nominated by the Buyer as directors the Company (subject to any maximum number of directors contained in the Company's articles of association), with effect from the end of the relevant board meeting;
- 2.1.4 the appointment of DMCL LLP as the auditor of the Company, with effect from the end of the relevant board meeting;
- 2.1.5 changing the accounting reference date of the Company to such date as is required by the Buyer (subject always to the requirements of the CA 2006);
- 2.1.6 changing the registered office of the Company to such address as is required by the Buyer; and
- 2.1.7 revoking all existing instructions and authorities to the bankers of the Company and replacing them with new instructions and authorities as the Buyer requires.

SCHEDULE 4 WARRANTIES

Part 1

General Warranties

1. POWER TO SELL THE SALE SHARES

- 1.1 Each Seller warrants that it has taken all necessary actions and has the requisite power and authority to enter into and perform this agreement and the Transaction Documents to which it is a party, and they constitute valid, legal and binding obligations on that Seller in accordance with their respective terms.
- 1.2 Each Seller warrants that this agreement and any other Transaction Documents to which that Seller is a party constitute (or shall constitute when executed) valid, legal and binding obligations on that Seller in accordance with their respective terms.
- 1.3 Each Seller warrants that the execution and delivery by that Seller of this agreement and each of the other Transaction Documents to which it is a party, and compliance with their respective terms shall not breach or constitute a default:
 - 1.3.1 under any agreement or instrument to which that Seller is a party or by which that Seller is bound; or
 - 1.3.2 of any order, judgment, decree or other restriction applicable to that Seller.

2. SHARES IN THE COMPANY

- 2.1 The Sale Shares constitute the whole of the allotted and issued share capital of the Company and are fully paid, or credited as fully paid.
- 2.2 Each Seller (excluding Crowdcube Nominees Limited) warrants that it is the sole legal and beneficial owner of the Sale Shares registered in its name and Crowdcube Nominees Limited warrants that it is the sole legal owner of the Sale Shares registered in its name and each Seller warrants that it is entitled to transfer the legal and beneficial title to the Sale Shares registered in its name to the Buyer free from all Encumbrances, without the consent of any other person.
- 2.3 No person has any right to require at any time the transfer, creation, issue or allotment of any share, loan capital or other securities of the Company (or any rights or interest in them), and no person has agreed to confer or has claimed any such right.
- 2.4 No Encumbrance has been granted to any person or otherwise exists affecting the Sale Shares or any unissued shares, debentures or other unissued securities of the Company, and no commitment to create any such Encumbrance has been given, nor has any person claimed any such rights.
- 2.5 The Company:
 - 2.5.1 does not own, and has not agreed to acquire, any shares, loan capital or any other securities or interest in any company;
 - 2.5.2 has not, at any time, had any subsidiaries or subsidiary undertakings (within the meaning of section 1162 of the CA 2006);
 - 2.5.3 is not, and has not agreed to become, a member of any partnership or other unincorporated association, joint venture or consortium (other than recognised trade associations); and
 - 2.5.4 has no branch or permanent establishment outside England and Wales.
- 2.6 The Company has not purchased, redeemed, reduced, repaid or forfeited any of its share capital.

- 2.7 The Company has not at any time:
- 2.7.1 purchased, redeemed, reduced, forfeited or repaid any of its own share capital; or
 - 2.7.2 given any financial assistance in contravention of any applicable law or regulation; or
 - 2.7.3 allotted or issued any securities that are convertible into shares.
- 2.8 No shares in the capital of the Company have been issued, and no transfer of any such shares has been registered, except in accordance with all applicable laws and the articles of association of the Company, and all such transfers have been duly stamped (where applicable).

3. CONSTITUTIONAL AND CORPORATE DOCUMENTS

- 3.1 A copy of the articles of association of the Company (or other constitutional and corporate documents) have been Disclosed, and such copy documents:
- 3.1.1 are true, accurate and complete in all respects;
 - 3.1.2 have attached to them copies of all resolutions and agreements required by applicable law to be so attached; and
 - 3.1.3 have set out all the rights and restrictions attaching to each class of shares in the capital of the Company.
- 3.2 The register of members, register of people with significant control (PSC Register) and all other statutory books and registers of the Company:
- 3.2.1 have been properly kept in accordance with all applicable laws;
 - 3.2.2 are correctly written up to date; and
 - 3.2.3 contain a true, complete and accurate record of all matters and information which should be contained in them.
- 3.3 No notice or allegation has been received that any such registers or books are incorrect or should be rectified.
- 3.4 All returns, particulars, resolutions and other documents that the Company is required by law to file with, or deliver to, any authority in any jurisdiction (including, in particular, the Registrar of Companies in England and Wales) have been correctly made up and duly filed or delivered.
- 3.5 All dividends or distributions declared, made or paid by the Company have been declared, made or paid in accordance with its memorandum and articles of association, all applicable laws and regulations and any agreements or arrangements made with any third party regulating the payment of dividends and distributions.
- 3.6 All deeds and documents belonging to the Company, or to which it is a party, are in the possession of the Company.

4. INFORMATION

- 4.1 The particulars set out in Schedule 1, Schedule 2 and Schedule 8 are true, accurate and complete.

5. COMPLIANCE AND CONSENTS

- 5.1 The Company has at all times conducted its business in accordance with, and has acted in compliance with, all applicable laws, regulations and, so far as the Sellers are aware, Government guidance.
- 5.2 The Company holds all licences, consents, permits and authorities necessary to carry on the Business in the places and in the manner in which it is carried on at Completion ("**Consents**").
- 5.3 Each of the Consents is valid and subsisting, the Company is not in breach of the terms or conditions of the Consents (or any of them) and, so far as the Sellers are aware, there is no

reason why any of the Consents may be revoked or suspended (in whole or in part) or may not be renewed on the same terms.

- 5.4 Neither the Company nor any of its directors or, so far as the Sellers are aware, employees (current or past), has been convicted of an offence in relation to the business or affairs of the Company.

6. INSURANCE

- 6.1 The Company maintains, and has at all material times maintained, adequate insurance cover against all losses, liabilities and risks that are normally insured against by a person carrying on the same type of business as the Business.
- 6.2 The policies of insurance maintained by or on behalf of the Company ("**Policies**") are in full force and effect, all premiums due on them have been paid and all other conditions of the Policies have been performed and observed. So far as the Sellers are aware, the Company has not done, or omitted to do, anything that may result in an increase in the premium payable for any of the Policies, or affect the renewal of any of the Policies.
- 6.3 There are no outstanding claims under, or in respect of the validity of, any of the Policies and, so far as the Sellers are aware, there are no circumstances likely to give rise to a claim under any of the Policies.
- 6.4 The Disclosure Letter contains complete and accurate details of all insurance claims made by the Company during the period of 12 months ending on the date of this Agreement.

7. POWERS OF ATTORNEY

- 7.1 There are no powers of attorney granted by the Company which are currently in force.
- 7.2 No person is entitled or authorised in any capacity to bind or commit the Company to any obligation outside the ordinary course of the Business.
- 7.3 The Disclosure Letter specifies those persons who have authority to bind the Company in the ordinary course of the Business.

8. DISPUTES AND INVESTIGATIONS

- 8.1 Neither the Company, nor any of its Directors nor, so far as the Sellers are aware, any other person for whose acts the Company may be vicariously liable, is engaged or involved in any of the following matters (such matters being referred to in this paragraph 7 as "**Proceedings**"):
 - 8.1.1 any litigation, or any administrative, arbitration or other proceedings, claims, actions or hearings (except for debt collection in the normal course of business); or
 - 8.1.2 any dispute with, or any investigation, inquiry or enforcement proceedings by, any governmental, regulatory or similar body.
- 8.2 No Proceedings have been threatened or, so far as the Sellers are aware, are pending by or against the Company, any Director or any person for whose acts the Company may be vicariously liable, and, so far as the Sellers are aware, there are no circumstances likely to give rise to any such Proceedings.
- 8.3 The Company is not affected by any subsisting or, so far as the Sellers are aware, pending judgment, order, or other decision or ruling of any court, tribunal or arbitrator, or any governmental, regulatory or similar body, nor has it given any undertaking in connection with any Proceedings which remains in force.
- 8.4 The Sellers have no claim of any nature against the Company, nor have they assigned to any person the benefit of any such claim.

9. CONTRACTS AND TRADING

- 9.1 The Disclosure Letter contains full particulars of all subsisting contracts, agreements, arrangements, understandings or commitments to which the Company is a party.

- 9.2 The Company is not a party to any contract, agreement, arrangement, understanding or commitment which is of an unusual or exceptional nature, outside the ordinary course of the Business, or not on arm's-length terms.
- 9.3 No party is in default of any agreement to which the Company is a party, no such default has been threatened, and, so far as the Sellers are aware, there are no facts or circumstances likely to give rise to any such default. No notice of termination of any such agreement has been received or served by the Company, and, so far as the Sellers are aware, there are no grounds for the termination, rescission, repudiation or a material change in the terms of any such agreement.
- 9.4 There is no outstanding indebtedness or other liability (actual or contingent) and no outstanding contract, commitment or arrangement between the Company and any of the following:
- 9.4.1 a Seller (or any person Connected with a Seller); or
 - 9.4.2 a Director (or any person Connected with a Director).

10. CUSTOMERS AND SUPPLIERS

- 10.1 The definition in this paragraph applies in this agreement.
- Material Counterparty:** any customer, client or supplier of the Company who is of material importance to the business or profits of the Company.
- 10.2 In the period of 12 months ending on the date of this Agreement:
- 10.2.1 no Material Counterparty has ceased, or, so far as the Sellers are aware, threatened to cease to do business with, or reduced, or threatened to reduce in any material respect the extent to which it does business with the Company;
 - 10.2.2 there has been no material adverse change in the basis or terms on which any Material Counterparty does business with the Company; and
 - 10.2.3 the Business has not been materially affected in an adverse manner as a result of (either individually or in combination) the loss of, or a reduction in trading with, any customer, client or supplier of the Company, or a change in the terms on which any such customer, client or supplier does business with the Company.

11. EFFECT OF SALE OF THE SALE SHARES

- 11.1 The acquisition of the Sale Shares by the Buyer will not, so far as the Sellers are aware,:
- 11.1.1 cause the Company to lose the benefit of any right, asset or privilege it presently enjoys;
 - 11.1.2 relieve any person of any obligation to the Company, or enable any person to determine any such obligation, or any right or benefit enjoyed by the Company, or to exercise any other right in respect of the Company;
 - 11.1.3 result in any customer, client or supplier being entitled to cease dealing with the Company reducing its business, or changing the terms on which it deals, with the Company;
 - 11.1.4 give rise to, or cause to become exercisable, any right of pre-emption over the Sale Shares;
 - 11.1.5 result in the loss of, or any default under, any Consent (as defined in paragraph 5.2 of Part 1 of this Schedule 4); or
 - 11.1.6 result in any officer or senior employee leaving the Company.

12. TRANSACTIONS WITH THE SELLERS

- 12.1 None of the Sellers, nor any person Connected with a Seller, has a claim of any nature against the Company, or has assigned to any person the benefit of any such claim.

13. FINANCE AND GUARANTEES

- 13.1 The Disclosure Letter contains full particulars of all money borrowed by the Company and all financial facilities currently outstanding or available to the Company, including copies of all related documentation.
- 13.2 So far as the Sellers are aware, there are no circumstances or matters which could affect the continuance of any of the financial facilities that are currently available to the Company, or which may result in an amendment of their terms.
- 13.3 No Encumbrance over any of the Company's assets is now enforceable, and, so far as the Sellers are aware, there are no circumstances likely to give rise to any such enforcement.
- 13.4 The Company has not factored or discounted any of its debts, or engaged in financing of a type that would not need to be shown or reflected in the Accounts.
- 13.5 No Encumbrance, guarantee, indemnity or other similar arrangement has been entered into, given or agreed to be given by:
- 13.5.1 the Company or any third party, in each case in respect of any indebtedness or other obligations of the Company; or
 - 13.5.2 the Company in respect of any indebtedness or other obligations of any third party.
- 13.6 The Company has no outstanding loan capital, nor has it lent any money that has not been repaid, and there are no debts owing to the Company other than debts that have arisen in the normal course of the Business.
- 13.7 The debts owing to the Company as reflected in the Accounts (and all debts subsequently recorded in its books since the Accounts Date) have been realised, or, so far as the Sellers are aware, are reasonably likely to be realised will within three months after Completion realise in cash their full amount, and none of those debts has been outstanding for more than two months.
- 13.8 No insolvency event has occurred in relation to the Company or the Sellers.

14. ACCOUNTS

- 14.1 The definitions in this paragraph apply in this agreement:
- "FRS 102"**; Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland as issued by the Financial Reporting Council of the UK and in force for the accounting period ended on the Accounts Date.
- "Management Accounts"**; the unaudited financial statements of the Company for the calendar months of September 2020 and October 2020 (copies of which are included in the Disclosure Bundle).
- "Previous Accounts"**; the accounts equivalent to the Accounts in respect of each of the two (2) accounting periods immediately preceding the accounting period ended on the Accounts Date.
- 14.2 The Accounts:
- 14.2.1 show a true and fair view of the state of affairs of the Company as at the Accounts Date, and of its profit or loss and total comprehensive income for the accounting period ended on the Accounts Date;
 - 14.2.2 have been properly prepared in accordance with FRS 102, using appropriate accounting policies and estimation techniques as required by section 10 of FRS 102;
 - 14.2.3 comply with the requirements of the CA 2006 and all other applicable law and regulations in the UK;
 - 14.2.4 (save as the Accounts expressly disclose) are not affected by any extraordinary, exceptional or non-recurring items; and

14.2.5 (save as the Accounts expressly disclose) have been prepared using the same accounting policies and estimation techniques as those adopted and applied in preparing the Previous Accounts.

14.3 The Management Accounts are fair and not misleading having regard to the purpose for which they were drawn up and do not materially misstate the assets and liabilities of the Company as at the date to which each relates nor the profits or losses for the period to which they relate.

15. CHANGES SINCE THE ACCOUNTS DATE

Since the Accounts Date:

15.1 the Company has conducted the Business in the normal course and as a going concern;

15.2 there has been no material adverse change in the turnover, financial position or prospects of the Company;

15.3 no dividend or other distribution of profits or assets has been, or agreed to be declared, made or paid by the Company;

15.4 the Company has not borrowed or raised any money or taken or given any form of financial security, nor has it incurred or committed to any capital expenditure, or acquired or disposed of any individual item, in either case in excess of £25,000; and

15.5 the Company has paid its creditors within the applicable periods agreed with the relevant creditor and there are no amounts owing by the Company which have been outstanding for more than 60 days.

16. ASSETS

16.1 The assets included in the Accounts, together with any assets acquired by the Company since the Accounts Date (except for those disposed of since the Accounts Date in the normal course of business) and all other assets used by the Company in connection with the Business are:

16.1.1 legally and beneficially owned by the Company, free from Encumbrance or any other third party right, and the Company has good and marketable title to such assets; and

16.1.2 in the possession and control of the Company.

16.2 The plant, machinery, vehicles, office and other equipment used by the Company in connection with the Business are, so far as the Sellers are aware, in good working order, have been regularly and properly maintained and are capable of doing the work for which they were designed.

16.3 The assets owned by the Company comprise all the assets necessary for the continuation of the Business as it is carried on at Completion, and such assets are not shared with any other person.

17. EMPLOYMENT

17.1 The definitions in this paragraph apply in this agreement.

"Employee"; any person employed by the Company under a contract of employment.

"Worker"; any person who is not an Employee who personally performs work for the Company but who is not in business on their own account or in a client/customer relationship.

17.2 The Disclosure Letter includes anonymised particulars of each Employee and Worker, and the principal terms of their respective contracts with the Company.

17.3 The Disclosure Letter includes anonymised details of all persons who are not Workers and who are providing services to the Company under an agreement that is not a contract of employment with the Company (including consultants and secondees), and the principal terms on which such persons provide their services.

17.4 The Disclosure Letter includes anonymised details of all Employees and Workers who are on secondment, maternity, paternity, adoption, shared parental or other leave or absent due to ill-health or for any other reason.

- 17.5 No offer of employment or engagement has been made by the Company that is outstanding for acceptance, or that has been accepted but not yet commenced.
- 17.6 No notice to terminate the contract of employment of any Employee or Worker is pending, outstanding or, so far as the Sellers are aware, threatened.
- 17.7 The Company is not a party to, bound by or proposing to introduce in respect of any of its current or former directors, Employees or Workers, any redundancy payment scheme (in addition to statutory redundancy pay), or, save for the enterprise management incentive option scheme which has been Disclosed, any incentive arrangement or scheme (including, without limitation, any share option or share award plan, and commission, profit sharing or bonus scheme).
- 17.8 The Company has not incurred any actual or contingent liability in connection with any termination of employment of its Employees, or for failing to comply with any order for the reinstatement or re-engagement of any Employee.
- 17.9 In the 6 months prior to the Completion Date, the Company has not made or provided, or agreed to make or provide, any payment or benefit to any of its current or former directors, Employees or Workers (or their dependants) in connection with the actual or proposed termination or suspension of employment or variation of an employment contract.
- 17.10 There are no sums owing to or from any current or former Employee or Worker other than reimbursement of expenses, wages for the current salary period and holiday pay for the current holiday year.
- 17.11 In the 6 months prior to the Completion Date, the Company has not offered, promised or agreed to any future variation in the terms of employment or engagement of any Employee or Worker.
- 17.12 The Disclosure Letter includes copies of all contracts, handbooks, material policies which apply to the Employees and Workers.
- 17.13 All contracts applying to the Employees and Workers have been properly executed.
- 17.14 The Company has not entered into any agreement or arrangement (whether or not binding) with any trade union, staff association, staff council, works council, information and consultation body or any other worker representatives relating to any person employed or engaged by or in the Company.
- 17.15 So far as the Sellers are aware, the Company has performed all obligations and duties it is required to perform in respect of each Employee and Worker, whether or not legally binding and whether arising under contract, statute, at common law or in equity or under any treaties or laws of the European Union or otherwise.
- 17.16 The Company has not received any complaint or grievance from Georgi Popov regarding his employment by the Company or the termination thereof.

18. RETIREMENT BENEFITS

- 18.1 Save for the auto-enrolment obligations detailed in paragraph 18.2, the Company does not have (nor, so far as the Sellers are aware, may it have) any obligation (whether or not legally binding) to provide or contribute towards pension, lump sum, death, ill-health, redundancy, disability or accident benefits ("Relevant Benefits") in respect of its current or former officers, directors or employees ("Pensionable Employees") and no proposal or announcement has been made about the introduction, continuance, increase or improvement of, or the payment of a contribution towards, any Relevant Benefits. The Company does not have and there are no circumstances which, so far as the Warranting Sellers are aware, could give rise to the Company having a liability or other obligation in relation to a defined benefit pension scheme or arrangement.
- 18.2 The Company has complied with its automatic enrolment obligations as required by the Pensions Act 2008 and associated legislation through its participation in the National Employment Savings Trust ("**NEST**"). Full details of this compliance are set out in the Disclosure Letter.

- 18.3 No notices, fines, or other sanctions have been issued by the Pensions Regulator and no instances of non-compliance with the automatic enrolment obligations have been notified to the Pension Regulator in respect of the Company.
- 18.4 The Company has not discriminated against any Pensionable Employee on any grounds contrary to the Equality Act 2010 in providing or not providing any Relevant Benefits.
- 18.5 No claims or complaints have been made or, so far as the sellers are aware, are pending or threatened in respect of the provision of (or failure to provide) any Relevant Benefits by the Company in relation to any of the Pensionable Employees and, so far as the sellers are aware, there is no fact or circumstance likely to give rise to such claims or complaints.
- 18.6 All contributions due and payable by the Company and its employees to NEST up to and including Completion have been paid.

19. PROPERTY

- 19.1 In this paragraph 19, "**Previously-owned Land and Buildings**" means any land and buildings that has or have, at any time before the date of this agreement, been owned (under whatever tenure) and/or occupied and/or used by the Company, but which are either:
- 19.1.1 no longer owned, occupied or used by the Company; or
- 19.1.2 owned, occupied or used by the Company but pursuant to a different lease, licence, transfer or conveyance.
- 19.2 The Properties are the only land and buildings owned, used or occupied by the Company. The Company has no right of ownership, right to use, option, right of first refusal or contractual obligation to purchase, or any other legal or equitable right affecting any land and buildings, other than the Properties.
- 19.3 The Company has no liability (whether actual or contingent) in respect of any Previously-owned Land and Buildings, nor has it given any guarantee or indemnity for any liability relating to any of the Properties, any Previously-owned Land and Buildings or any other land and buildings.

20. INTELLECTUAL PROPERTY

- 20.1 In this paragraph 20, "**Intellectual Property Rights**" means patents, utility models, rights to inventions, copyright and neighbouring and related rights, moral rights, trade marks and service marks, business names and domain names, rights in get-up and trade dress, goodwill and the right to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights to use, and protect the confidentiality of, confidential information (including know-how and trade secrets), and all other intellectual property rights, in each case whether registered or unregistered and including all applications and rights to apply for and be granted, renewals or extensions of, and rights to claim priority from, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.
- 20.2 Except as set out in the Disclosure Letter the Company owns all Intellectual Property Rights that are owned, used, or held for use by the Company in connection with the Business. In relation to rights in confidential information, the Company:
- 20.2.1 has not disclosed or permitted to be disclosed any such information to any person except the Buyer other than:
- 20.2.1.1 to the extent necessary in the ordinary course of business and subject to conditions of confidentiality; or
- 20.2.1.2 for the purpose of disclosure to their professional advisers who are under a professional duty of confidentiality; and
- 20.2.2 does not own rights in any confidential information which may be capable of patent protection or which, if disclosed other than subject to conditions of confidentiality, might have a material adverse effect on the Business.

- 20.3 The Company solely owns the following domain names: bloomboxblog.co.uk, bloomboxclub.blog, bloomboxclub.co.uk, bloomboxclub.com, bloomboxclub.de, and bloomboxclub.email.
- 20.4 The Company solely owns the Bloomboxclub logo used on, amongst other things, <https://bloomboxclub.com/> and the Intellectual Property Rights detailed in Schedule 7.
- 20.5 The Company owns all Intellectual Property Rights in all works, documents and software created by Mr Ben Pritchard.
- 20.6 The Company owns all Intellectual Property Rights in its order fulfilment system including all Intellectual Property Rights created by Alan Guerin.
- 20.7 Complete and accurate details of all licences of any of the Intellectual Property Rights by or to the Company are contained in the Disclosure Letter.
- 20.8 The Company has taken reasonable steps to ensure that all employees of the Company, and other persons or entities, who have access to or are aware of any trade secrets of the Company are, or have been made, aware that they are bound by strict perpetual confidentiality obligations prohibiting them from disclosing such trade secrets to any person or entity (including without limitation other employees of the Company), in each case without the Company's express written consent.
- 20.9 In so far as the Sellers are aware, no mark or trade name identical or similar to a mark or trade name owned by the Company has been registered, or is being used by any person in the same or a similar business to that of the Company, in any country in which the Company has registered or is using that mark or trade name.
- 20.10 Except as set out in the Disclosure Letter, the Company has not authorised or otherwise permitted any use whatsoever of any Intellectual Property Rights owned by the Company, or granted to any third party any right or interest in respect of it, and none of the Intellectual Property Rights owned by the Company has been charged, mortgaged, licensed or otherwise encumbered by the Company.
- 20.11 The Sellers will not have any rights to use any of the Intellectual Property Rights owned by the Company or licensed to it, post-Completion, save those Sellers carrying out his/her duties and obligations in furtherance of their employment within the Buyer's Group after Completion.
- 20.12 The Company does not require any Intellectual Property Rights other than the Intellectual Property Rights that it owns in order to use all the processes employed by it in its business as presently constituted or to manufacture, use and sell the products which result from those processes or otherwise to carry on its business.
- 20.13 No domain names containing any trade mark owned by the Company are registered to any person other than the Company.
- 20.14 The activities of the Company and of any licensee of Intellectual Property Rights granted by the Company:
- 20.14.1 have not infringed, nor, so far as the Sellers are aware, are they likely to infringe, any Intellectual Property Rights of any third party;
 - 20.14.2 do not constitute, have not constituted and, so far as the Sellers are aware, are unlikely to constitute, any breach of confidence, passing off or actionable unfair competition in any jurisdiction; and
 - 20.14.3 do not give and have not given rise to any obligation to pay any royalty, fee, compensation or any other sum, or to any moral rights under the Copyright, Designs and Patents Act 1988 or any broadly equivalent rights that might arise in any territory in the world,
- and the Company has not received notice of any claim, and is not aware of any legal proceedings, or, so far as the Sellers are aware, any circumstances that may give rise to legal proceedings, in respect of any of the foregoing.

21. INFORMATION TECHNOLOGY

- 21.1 The definitions in this paragraph apply in this agreement:
- "IT Systems"**; the network and information systems that are owned or used or held for use by the Company, including: (i) all computer hardware (including network and telecommunications equipment) and mobile devices; (ii) all software (including associated user manuals, object code and source code and other materials sufficient to enable a reasonably skilled programmer to maintain and modify the software and firmware (**Software**); and (iii) all data and databases (**Databases**).
- "Third Party Software"**; any Software which is made available to, or licensed, to, the Company by a third party.
- 21.2 Except to the extent set out in any contracts that have been Disclosed, the Company owns and is in possession of the IT Systems, free from Encumbrances and all other rights exercisable by third parties. The Company has obtained all necessary rights from third parties to enable it to (both before and after Completion):
- 21.2.1 make exclusive and unrestricted use of the IT Systems for the purposes of the Business; and
- 21.2.2 maintain the IT Systems.
- 21.3 The IT Systems owned by the Company, together with the rights granted to the Company under any contracts relating to the IT Systems which have been Disclosed, comprise all rights to computer hardware (including network and telecommunications equipment) and software (including associated preparatory manuals and other related documentation) and related services, which are necessary to operate the Business in the same manner and for the same purposes as the Business was operated in the 12 month period immediately prior to Completion.
- 21.4 All Third Party Software is validly licensed to the Company under a contract that has been Disclosed and is commonly available, off-the-shelf and not bespoke to the requirements of the Business. So far as the Sellers are aware, they have no reason to believe that any Third Party Software could not be promptly re-procured on the same or substantially similar terms (including price) if the contract under which it was licensed was to expire or terminate.
- 21.5 Reasonable steps have been taken to ensure the IT Systems contain no software virus or malware or software vulnerability, and, so far as the Sellers are aware, all elements of the IT Systems:
- 21.5.1 are functioning adequately;
- 21.5.2 are not defective in any respect;
- 21.5.3 have sufficient capacity, scalability and performance to meet the current and reasonably foreseeable requirements of the Business;
- 21.5.4 have not been and will not be affected by any changes in dates (past, present or future);
- 21.5.5 are capable of performing functions in multiple currencies, including the euro; and
- 21.5.6 do not contain or rely on or link to or compile with any open-source software (as defined at The Open Source Definition (<http://opensource.org/docs/osd>)) licensed from time to time under the General Public Licence (as set out at <http://www.gnu.org/licenses/gpl.html>) or any similar licence.
- 21.6 Each of the Databases is, so far as the Sellers are aware, complete and accurate in all material respects for the purpose for which it was originally created, has not been used for any purpose that would constitute a breach of Data Protection Laws, and has not suffered any loss or corruption.
- 21.7 The Company has identified and taken appropriate and proportionate technical and organisational measures in accordance with good industry practice to:

- 21.7.1 manage the risks posed to the security of the IT Systems and the confidentiality and integrity of the data processed by them, and having regard to the state of the art, such measures ensure a level of security of the IT Systems and such data appropriate to the risk posed; and
 - 21.7.2 prevent and minimise the impact of any security incident affecting the IT Systems, with a view to ensuring the continuity of the Business.
- 21.8 The Company has in place all appropriate data security breach, incident monitoring and business continuity and disaster recovery plans relating to the use of the IT Systems, each of which is in accordance with best industry practice and all applicable regulatory requirements.
- 21.9 During the seven-year period up to and including the date of this agreement, the Company has not:
- 21.9.1 suffered any event having an actual adverse effect on the security of the IT Systems and a significant impact on the continuity of the Business (**Security Incident**); or
 - 21.9.2 breached any applicable regulatory requirements (including any reporting requirement) in relation to any Security Incident.
- 21.10 In relation to any websites or social media accounts operated by or on behalf of the Company:
- 21.10.1 the Company is the current registrant and user of all domain names that direct users to that website (**Domain Names**) and has not sold, transferred, licensed, charged or otherwise encumbered any Domain Names, or allowed any Domain Names to be used by any third party;
 - 21.10.2 the Company is registered as the owner of, or otherwise entitled to solely administer or control, that social media account and has not sold, transferred, licensed, charged or otherwise encumbered any social media account or allowed any social media account to be used by any third party; and
 - 21.10.3 the Company has not committed any breaches, and is currently not in breach, of any agreement with the registrar of any Domain Name, or the owner or provider of any social media account.

22. DATA PROTECTION AND PRIVACY

- 22.1 The definitions in this paragraph apply in this agreement:
- "Data Protection Laws"**; all laws relating to data protection and privacy which are from time to time applicable to the Company (or any part of their business), including the GDPR, the Data Protection Act 1998 and the Data Protection Act 2018.
- "GDPR"**; the General Data Protection Regulation (EU) 2016/679 as it applies in England and Wales from time to time (including as retained, amended, extended or re-enacted on or after 11pm on 31 January 2020).
- "Personal Data"**; has the meaning given to that term in the GDPR.
- 22.2 The Company has complied with all data subject requests, including any requests for access to Personal Data, the cessation of specified processing activities or the rectification or erasure of any Personal Data, in each case in accordance with the requirements of the Data Protection Laws, and there are no such requests outstanding at the date of this agreement.
- 22.3 The Company has not had any breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to any Personal Data, so far as the Sellers are aware.
- 22.4 The Company has not received any:
- 22.4.1 notice, request, correspondence or other communication from any governmental or state agency, body, department, board, official or entity exercising regulatory or supervisory authority pursuant to any Data Protection Laws, or been subject to any enforcement action (including any fines or other sanctions), in each case relating to a breach or alleged breach of their obligations under the Data Protection Laws; or

22.4.2 claim, complaint, correspondence or other communication from a data subject or any other person claiming a right to compensation under the Data Protection Laws, or alleging any breach of the Data Protection Laws,

and, so far as the Sellers are aware, there is no fact or circumstance that may lead to any such notice, request, correspondence, communication, claim, complaint or enforcement action.

23. COMPLIANCE WITH THE BRIBERY ACT 2010

23.1 The definition in this paragraph applies in this agreement.

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

23.2 The Company is not or has not at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010.

23.3 No Associated Person of the Company has, so far as the Sellers are aware, bribed another person (within the meaning given in section 7(3) of the Bribery Act 2010) intending to obtain or retain business or an advantage in the conduct of business for the Company, and the Company has in place adequate procedures, in line with the guidance published by the Secretary of State under section 9 of the Bribery Act 2010, designed to prevent their Associated Persons from undertaking any such conduct.

23.4 Neither the Company nor, so far as the Sellers are aware, any of their Associated Persons is or has been the subject of any investigation, inquiry or enforcement proceedings by any governmental, administrative or regulatory body or any customer regarding any offence or alleged offence under the Bribery Act 2010, and no such investigation, inquiry or proceedings have been threatened or, so far as the Sellers are aware, are pending and there are no circumstances likely to give rise to any such investigation, inquiry or proceedings.

23.5 The Company has not been excluded from participation in a public contract as a result of being convicted of bribery or corruption.

Part 2

Tax Warranties

- 1.1 The Company has made all accounts, computations, registrations, returns and other information required to be made, given or submitted by the Company to any Tax Authority within all relevant time limits.
- 1.2 All accounts, computations, registrations, returns, disclosures and other information submitted to any Tax Authority were, when made (and remain) complete, accurate and, so far as the Sellers are aware, not misleading.
- 1.3 The Company is not nor, in the period of six years ended on the date of this Agreement, has The Company been in dispute with or subject to any visit, audit, enquiry or investigation, by any Tax Authority and so far as the Sellers are aware there are no facts or circumstances likely to give rise to, or to be the subject of, any such dispute, visit, audit, enquiry or investigation.
- 1.4 The Company has preserved and retained in its possession complete and accurate records relating to its Tax affairs and (so far as they relate to Events occurring before Completion) so far as the Sellers are aware the Company has sufficient records to calculate correctly and evidence any Tax Liability of the Company. The Company is not a qualifying company within the meaning of schedule 46 Finance Act 2009 (duties of senior accounting officers of qualifying companies).
- 1.5 The Company is not required to register as a contractor under the provisions of section 59 Finance Act 2004 (construction industry sub-contractor's scheme) and the expenditure incurred by The Company on construction, refurbishment and fitting-out works in each of the three years ending on the Accounts Date is less than £1 million.
- 1.6 The Company is not required to publish a tax strategy by the provisions of section 161 and Schedule 19 of Finance Act 2016.

2 PAYMENT OF TAX

- 2.1 The Company has duly and punctually paid all Tax to the extent that the same ought to have been paid and has not in the last six years paid or become liable to pay any surcharge, penalty or interest charged by virtue of the provisions of any Tax Legislation.
- 2.2 The Company has not ever paid nor is it, nor (in respect of the period since the Accounts Date to Completion) will it become, liable to pay any quarterly payments of corporation tax on account.
- 2.3 The Company is not nor has it ever been party to any arrangements as mentioned in section 59F or 59G of the Taxes Management Act 1970.

3 ACCOUNTS

- 3.1 The provision or reserve for Tax in the Accounts is sufficient to cover all liabilities of the Company for Tax as at the Accounts Date and all Tax for which the Company may after the Accounts Date become or have become liable in respect of or by reference to:
 - (a) any income, profits or gains for any period which ended on or before the Accounts Date;
or
 - (b) any distributions made on or before the Accounts Date or provided for in the Accounts;
or

(c) any Event occurring on or before the Accounts Date.

3.2 Proper provision has been made and shown (or disclosed by way of note) in the Accounts for deferred taxation.

3.3 All claims, disclaimers elections or surrenders in respect of Tax assumed to have been made for the purposes of the Accounts have either been properly made, given or submitted to a Tax Authority or are set out in the Disclosure Letter, together with details of any relevant time limit.

4 EVENTS SINCE THE ACCOUNTS DATE

4.1 None of the following Events has occurred since the Accounts Date:

(a) an acquisition, disposal or revaluation of any intangible fixed asset (within the meaning of Part 8 CTA 2009);

(b) a deemed (as opposed to an actual) acquisition disposal or supply of assets goods services or business facilities;

(c) The Company ceasing or being deemed to cease to be a member of any group or associated with any other company for the purposes of Tax;

(d) a disposal or supply of assets goods services or business facilities by The Company for a consideration which is treated for the purposes of Tax as greater than the actual consideration;

(e) an acquisition by or supply to The Company of assets goods services or business facilities for a consideration which is treated for the purposes of Tax as less than the actual consideration;

(f) a distribution within the meaning given by Part 23 CTA 2010 (company distributions);

(g) an Event which results in The Company being liable for Tax for which it is not primarily liable;

(h) an Event in respect of which a Tax Liability arises as a result of a failure by The Company to withhold, deduct or account for Tax;

(i) an Event giving rise to a balancing charge.

4.2 In this Warranty 4 "**business facilities**" means business facilities of any kind including, without limitation, a loan of money, the provision of a guarantee or similar facility, or a letting, hiring or licensing of any tangible or intangible property.

5 CONCESSIONS

5.1 The Company has not during the period of six years ending on the date of this Agreement relied on any formal or informal unpublished concession dispensation or practice (whether general or specific to The Company) which affects the amount of Tax chargeable on the Company or which purports to modify or provide exemption from any obligation to make or submit any computation notice or return to any Tax Authority.

6 DEDUCTIONS AND WITHHOLDINGS

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

7 DISTRIBUTIONS

- 7.1 Except for dividends properly authorised and disclosed in its audited accounts, the Company has not in the period of six years ending on the date of this Agreement made (nor is it deemed to have made during such period) any distribution within the meaning of Part 23 CTA 2010 (company distributions) nor has the Company agreed to make any such distribution.

8 CLOSE COMPANY

- 8.1 The Company is not nor has it at any time been a close company (within the meaning of section 439 CTA 2010) in respect of any accounting period.

9 LOAN RELATIONSHIPS

- 9.1 All interests, discounts and premiums payable by the Company in respect of its loan relationships (within the meaning of section 302 CTA 2009) are eligible to be brought into account by the Company as a debit for the purposes of Part 5 CTA 2009 at the time, and to the extent that such debits are recognised in the statutory accounts of the Company
- 9.2 The Company is not a member of a worldwide group which has either been subject to interest restrictions for the purposes of Part 10 TIOPA 2005 in any previous accounting period or, so far as the Seller is aware, will be subject to interest restrictions in the current accounting period.

10 CAPITAL GAINS AND CAPITAL ALLOWANCES

- 10.1 No:
- (a) balancing charge in respect of capital allowances claimed or given; or
 - (b) chargeable gain or profit (disregarding any relief or allowance available to The Company other than amounts allowable under section 38 TCGA 1992).

would arise if any of the assets of the Company (or, where the assets are in a capital allowances pool, all the assets in that pool) were to be realised on the date of this Agreement for an amount equal to its book value as shown in the Accounts or, in respect of assets acquired since the Accounts Date), for an amount equal to the consideration given for its acquisitions).

- 10.2 So far as the Sellers are aware, all necessary conditions for the availability of all capital allowances claimed by the Company have at all material times been satisfied and remain satisfied.

11 SECONDARY LIABILITY

- 11.1 The Company has not been (nor so far as the Sellers are aware is it liable to be) assessed to Tax as the permanent establishment, agent or representative of any person not resident in the United Kingdom nor so far as the Sellers are aware has any Event occurred in consequence of which The Company is or may be held liable to pay or bear any Tax which is primarily chargeable against or attributable to some person firm or company (other than the Company) within or outside the United Kingdom.

12 STAMP DUTY LAND TAX, STAMP DUTIES ETC

- 12.1 Since the Accounts Date, the Company has not been party to any transaction, nor has it entered into any agreement or arrangement, whereby the Company has, is or could so far as the Sellers are aware become liable to pay Stamp Duty Reserve Tax or Stamp Duty Land Tax or to submit a land transaction return.

- 12.2 The Company is not liable, nor so far as the Sellers are aware will the Company become liable (whether by reason of unascertained, deferred or contingent consideration or otherwise), to pay any or any further Stamp Duty Land Tax after Completion in respect of any property.
- 12.3 No land transaction return or self-certificate has been made since the Accounts Date or is outstanding and so far as the Sellers are aware will not be required to make any land transaction return (including any further or amending return) or any self-certificate in respect of any Property.
- 12.4 All documents the enforcement of which is or may be necessary in proving the title of the Company to an asset owned by the Company as at the date of this agreement have been duly stamped with all relevant stamp duties and/or transfer duties (whether of the United Kingdom or elsewhere) and there are no documents outside the United Kingdom which if they were brought into the United Kingdom would give rise to a liability to stamp duty payable by The Company.
- 12.5 Neither entering into this agreement nor Completion will result in the withdrawal of a stamp duty or stamp duty land tax relief granted on or before Completion which will affect The Company.

13 TRANSACTIONS WITH ASSOCIATED PERSONS

- 13.1 The Company has not in the period of six years ending on the date of this Agreement been party to any non-arms length transaction.
- 13.2 The Company has not in the period of six years ending on the date of this Agreement entered into been party to any transaction (including any loan) to which the provisions of Part 4 Taxation (International and Other Provisions) Act 2010 (transfer pricing) have applied or could apply.

14 ANTI-AVOIDANCE

- 14.1 The Company has not in the period of six years ending on the date of this Agreement been party to or otherwise involved in any transaction, series of transactions, scheme or arrangement the main purpose or one of the main purposes of which was to avoid or reduce Tax.
- 14.2 The Company has not entered into any notifiable arrangements for the purposes of Part 7 Finance Act 2004 any notifiable contribution for the purpose of the National Insurance Contribution (Application of Part 7 of the Finance Act 2004) Regulations 2007 or any notifiable schemes for the purposes of Schedule 11A VATA 1994.
- 14.3 The Company has in place (and has had in place at all times since 30 September 2017) such prevention procedures (as defined in section 45(3) and 46(4) of the CFA 2017) as are proportionate to its business risk and are in line with any guidance published from time to time pursuant to section 47 of the CFA 2017.
- 14.4 No person, acting in the capacity of an Associated Person (as defined in section 44(4) of the Criminal Finances Act 2017 (the "CFA 2017") of the Company has committed: (i) a UK tax evasion facilitation offence under section 45(5) of the CFA 2017; or (ii) a foreign tax evasion facilitation offence under section 46(6) of the CFA 2017.

15 VALUE ADDED TAX

- 15.1 The Company is registered for VAT in the United Kingdom under schedule 1 VATA 1994 with quarterly prescribed accounting periods and has not at any time in the last six years been treated as (nor applied to be) a member of a group of companies for VAT purposes.
- 15.2 The Company is not registered (or required to be registered) for local VAT or its equivalent in any State other than the United Kingdom.
- 15.3 The Company is a taxable person for VAT purposes, has complied with all the requirements of VATA 1994 and all applicable regulations and orders.

- 15.4 In respect of each VAT quarter ending after the Accounts Date:
- (a) no credit for input tax of The Company has been or, so far as the Sellers are aware, will be prevented or disallowed in whole or in part by reason of section 26A VATA 1994 (disallowance of input tax where consideration not paid);
 - (b) The Company has not made any exempt supplies in consequence of which it has been or will be unable to obtain credit for all input tax paid by it.
- 15.5 The Company has not exercised nor is it otherwise bound by any option to tax made pursuant to paragraph 2 of schedule 10 VATA 1994.
- 15.6 No asset of the Company is a capital item, the input tax on which could be subject to adjustment in accordance with the provisions of Part XV of the Value Added Tax Regulations 1995.
- 15.7 In relation to the cross-border VAT changes which took effect from 1 January 2010 under the provisions of sections 76 to 78 and schedule 36 Finance Act 2009 the Company has a record of the VAT registration number of all EU business customers and has provided its own VAT registration number to all its suppliers who are resident in an EU Member State and has reviewed its accounting system and taken all steps necessary to ensure that it is able to meet its invoicing and reporting requirements.

16 DUTIES

- 16.1 No assets (including trading stock) imported or owned by The Company are, or since the Accounts Date have been, subject to:
- (a) any fiscal or bonded warehousing arrangements; or
 - (b) any other scheme or arrangement for exemption or deferral of Tax (in whole or in part) and for which official HMRC registration, approval, consent or authorisation has been or is required.

17 GROUPS

- 17.1 The Company is not, nor has it at any time in the last seven years been:
- (a) a member of a group of companies as defined by section 170 TCGA 1992 (groups of companies: definitions); or
 - (b) a 51% subsidiary of any company as defined by section 1154 CTA 2010 and The Company does not have (and never has had) any 51% subsidiary as so defined; or
 - (c) owned by a consortium (as defined in section 153 CTA 2010) and The Company is not nor has it ever been a member of a consortium (as defined in the said section).
- 17.2 The Company does not have and has not had at any time in the last seven years any associated company within the meaning of section 25 CTA 2010.

18 TAX RELIEF FOR EXPENDITURE

- 18.1 The Company has not in the last six years made any payment or incurred any liability to make any payment of a revenue nature which could be disallowed as a deduction in computing the taxable profits of the Company or as a charge on the Company's income.

19 INHERITANCE TAX

- 19.1 So far as the Sellers are aware the Company is not, nor will it become, liable to be assessed to inheritance tax as donor or donee of any gift or as transferor or transferee of value (actual or deemed) or as a result of any disposition, chargeable transfer or transfer of value (actual or deemed) made by or deemed to be made by any other person.
- 19.2 So far as the Sellers are aware, there is no unsatisfied liability to capital transfer tax or inheritance tax attached or attributable to the assets of The Company or the shares of The Company and neither such assets nor such shares are subject to an HMRC charge.
- 19.3 So far as the Sellers are aware, no person has the power under section 212 Inheritance Tax Act 1984 (powers to raise tax) to raise any inheritance tax by sale or mortgage of or by a terminable charge on The Company's assets or shares.

20 FOREIGN CONNECTIONS

- 20.1 The Company has not ever been resident outside the United Kingdom for the purposes of any Tax Legislation or Double Taxation Agreement.
- 20.2 The Company has not had (nor in the period of six years ending on the date of this Agreement has it had):
- (a) any permanent establishment (within the meaning of the OECD Model Double Taxation Agreement), branch, agent or place of business outside the United Kingdom; or
 - (b) any interest in a controlled foreign company; or
 - (c) a material interest in an offshore fund within the meaning of Part 8 Taxation (International and Other Provisions) Act 2010.

21 SHARE AND BONUS SCHEMES

- 21.1 None of the consideration for the sale of the Sale Shares to the Buyer will be treated as income in respect of which PAYE and/or National Insurance will have to be accounted (whether by the Buyer, the Company or any other person).
- 21.2 The Company has not established (nor is it a participant in or connected with) any bonus, profit sharing, share incentive, share option or other plan, scheme or arrangement, whether or not approved by HMRC, for the benefit of its Employees or any of them.
- 21.3 No Employee holds or has any other right or interest in or has any right to acquire, or at any time since the Accounts Date has held, any employment-related securities (within the meaning of section 421B ITEPA 2003) or employment-related securities option (within the meaning of section 471 ITEPA 2003).
- 21.4 Save for options granted to Lana Novak, all options granted over shares in the Company were cancelled for no consideration and there are no outstanding options over shares in the Company as at Completion.
- 21.5 All options over shares in the Company issued to Lana Novak qualified for relief under chapter 9, part 7 and schedule 5 of ITEPA 2003, have been exercised in full at Completion and no liability to income tax and/or national insurance contributions arose on exercise. Lana Novak entered into a valid election under section 431 ITEPA 2003 in respect of all shares acquired upon such exercise.
- 21.6 The Disclosure Letter contains details of all payments or loans made to, any assets made available or transferred to, or any assets earmarked, however informally, for the benefit of, any

Employee by an employee benefit trust or another third party, falling within the provisions of Part 7A ITEPA 2003 and details of any trust or arrangement capable of conferring such a benefit.

- 21.7 In this Warranty 21 “**Employees**” include officers and employees of The Company, part or former officers and employees of The Company and (in relation to employment-related securities) associated persons within the meaning of section 421C ITEPA 2003.

SCHEDULE 5

1 In this schedule the following words and expressions have the following meanings:

- Accounts Relief** any Relief where the availability of the Relief has been (i) shown or taken into account as an asset in the Accounts or (ii) taken into account in computing (and so reducing) any provision for deferred tax which appears in the Accounts or has resulted in no provision for deferred tax being shown in the Accounts;
- Assessment** any notice, demand, assessment, letter or other document issued or action taken by or on behalf of any Tax Authority (whether before, on or after the date of this Agreement) from which it appears that a Tax Liability is to be or may come to be imposed on the Company or that the Company is liable or is sought to be made liable to make any payment or increased or further payment to such Tax Authority or is denied or is sought to be denied any Relief (in whole or in part);
- Buyer's Tax Group** the Buyer any other body corporate (other than the Company) treated at any time as a member of the same group of companies as the Buyer for the purpose of any Tax;
- CTA 2009** Corporation Tax Act 2009;
- CTA 2010** Corporation Tax Act 2010;
- Event** any event act transaction action or omission and includes (without limitation) the disposal of the Sale Shares pursuant to this Agreement, any change in the residence of any person for the purposes of Tax, the death or dissolution of any person, the receipt or accrual of any income profits or gains, any distribution, any transfer payment loan or advance, and any reference to an Event occurring on or before a particular date shall include an event which is deemed to have occurred or is treated or regarded as having occurred on or before that date for the purposes of Tax Legislation;
- Group Relief** means any of the following:-
- (a) group relief capable of being surrendered or claimed pursuant to Part 5 CTA 2010;
 - (b) amounts eligible for surrender under the Double Taxation Relief (Surrender of Relievable Tax Within a Group) Regulations 2001;
 - (c) advance corporation tax capable of being surrendered or claimed pursuant to Regulation 15 of the Corporation

Tax (Treatment of Unrelieved Surplus Advance Corporation Tax) Regulations 1999;

- (d) a tax refund capable of being surrendered or claimed under Section 963 CTA 2010; and
- (e) any other Relief eligible for surrender or capable of being claimed or surrendered in accordance with any legislation in relation to Tax (including, without limitation, any balancing payment as referred to in Chapter 6 Part 4 TIOPA 2010)

HMRC

Her Majesty's Revenue & Customs;

income profits or gains

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

ITTOIA 2005

Income Tax (Trading and Other Income) Tax Act 2005;

ITEPA 2003

Income Tax (Earnings and Pensions) Act 2003;

Loss

in relation to an Accounts Relief, the reduction, modification, claw-back, counter-action, disallowance, failure to obtain that Accounts Relief or the use of the Accounts Relief prior to Completion and "**lost**" shall be construed accordingly;

New Relief

- (a) any Relief of the Buyer and/or any member of the Buyer's Tax Group; and
- (b) any Relief of a Company which arises as a result of any Event occurring after Completion or in respect of any period commencing after Completion;

Relevant Person

- (a) one or more of the Sellers ;
- (b) any company which before Completion was a member of the same group of companies as the Company for any Tax purpose ("**Seller Group Company**") but only to the extent it is no longer a member of the same group of companies as the Company for any Tax purpose after Completion; or
- (c) any person with whom, before Completion the Company or, at any time, any of the Sellers or any Seller Group Company was or is connected; or
- (d) any person who stands or has stood in a direct or indirect relationship with the Company at any time before Completion with the consequence that a failure by such person at any time to satisfy or discharge all or part of a Tax Liability for which such person is primarily liable could result in an assessment on the Company solely due to that relationship of the person with the

Company before Completion, whether under section 710 or section 713 CTA 2010 or otherwise,

but (in each case) excluding the Company and the Buyer;

Relief	any loss, relief, allowance, exemption, set-off, deduction, credit, right to repayment or other relief available in relation to Tax or to the computation of income, profits or gains for the purposes of Tax;
set off	if and to the extent that such Accounts Relief and/or any other Relief (to the extent such other Relief includes amounts corresponding to the whole or part of the Accounts Relief) is, by reason of its set off, realisation or use, reduced or extinguished;
Stamp Taxes	stamp duty, Stamp Duty Reserve Tax, Land and Buildings Transaction Tax (in Scotland), the Land Transaction Tax (in Wales) and any equivalent tax or duty in the UK or any other jurisdiction;
Tax	<p>(a) all forms of taxes, duties, imposts and levies in the nature of taxes whenever created or imposed and whether of the United Kingdom or elsewhere including (without limitation) corporation tax, income tax, any tax or amount equivalent to tax required to be deducted or withheld from or accounted for in respect of any payment, capital gains tax, any payment under section 207 Finance Act 2004, inheritance tax, value added tax, landfill tax, stamp duty, stamp duty land tax, stamp duty reserve tax, customs & excise duties, national insurance, social security or similar contributions, and any other taxes levies charges or imposts similar to or corresponding with or replaced by any of the foregoing (but excluding general or business rates and council tax); and</p> <p>(b) all penalties, fines, charges, surcharges and interest in relation to tax within paragraph (a) or to any return or information required to be provided for the purposes of any such tax;</p>
Tax Authority	HMRC or other governmental statutory state provincial or local government authority, body or official (whether within or outside the United Kingdom) involved in the assessment, collection or administration of Tax;
Tax Legislation	any statute, enactment, law or regulation providing for the imposition of Tax;
Tax Liability	a liability to make an actual payment of, or of an amount in respect of, Tax whether or not such liability is also or alternatively a liability of, or chargeable against or attributable to, any other person and whether or not the Company shall or may have a right of recovery or reimbursement against any other person (in which case the

amount of the Tax Liability will be the amount of the actual liability to make payment);

2 SELLERS' COVENANT

2.1 Subject to 3, the Warranting Sellers hereby covenant jointly and severally with the Buyer to pay to the Buyer an amount equal to:

- (a) any Tax Liability of the Company:
 - (i) arising as a consequence of or by reference to one or more Events which occurred on or before Completion; or
 - (ii) arising in respect of or by reference to any income, profits or gains which were earned, accrued or received on or before Completion or in respect of a period ended on or before Completion; or
 - (iii) arising or assessed solely as a consequence of the failure of a Relevant Person at any time to satisfy or discharge all or part of a Tax Liability to the extent that such Tax Liability of the Company would not have arisen but for the relationship of a Relevant Person with the Company on or before Completion; or
 - (iv) arising or assessed as a consequence of the exercise, assignment, conversion, holding, surrender or disposal of any employment related security or employment related securities option (as those terms are defined in Part 7 of ITEPA 2003) acquired prior to Completion or pursuant to a right acquired prior to Completion or in exchange for another employment related security or employment related securities option acquired prior to Completion or pursuant to a right acquired prior to Completion; or
 - (v) arising or assessed under Part 7A ITEPA 2003 in respect of any relevant step (as defined in Part 7A ITEPA 2003) taken by any person pursuant to any arrangement entered into prior to Completion other than a relevant step taken at the direction of the Buyer (or another member of the Buyer's Tax Group) save where the relevant step giving rise to the charge was entered into at a time when the third party was acting on the instructions of, or for the benefit of, the Buyer or an associate of the Buyer; or
 - (vi) arising or assessed solely in respect of or by reference to any payment or benefit provided or to be provided to any Seller under this Agreement being treated as employment income subject to PAYE for Tax purposes, including the payment or satisfaction of any part of the Purchase Price.
- (b) any Tax Liability of the Company which would have arisen (and in respect of which the Warranting Sellers would have been liable for a Tax Liability under paragraph 2.1(a)) but for the setting off of an Accounts Relief or a New Relief against that Tax Liability or (as the case may be) against the income, profits or gains (which would have given rise to that Tax Liability but for the setting off of the Accounts Relief or New Relief in question);
- (c) the amount of Tax that would (on the basis of the rates of Tax current at the date of the Loss) have been saved but for the Loss (otherwise than by use or setting off by the Buyer to extinguish any Tax for which the Warranting Sellers are not and would not have been liable under this schedule) of any Accounts Relief assuming that the Company had sufficient profits or was otherwise in a position to use the Relief in full on the date of the Loss;

- (d) any liability of the Company to make a payment under any indemnity, covenant or warranty pursuant to an agreement or arrangement made or entered into on or before Completion of a sum equivalent to (or calculated by reference to) another person's Tax Liability;
- (e) any Tax Liability of the Company or the Buyer in respect of inheritance tax which:
 - (i) is at, or becomes after Completion, as a result of the death of any person within seven years after a transfer of value (or deemed transfer of value) on or before Completion, a charge on any of the shares or assets of the Company or gives rise to a power to sell, mortgage or charge any of the shares or assets of the Company; or
 - (ii) arises as a result of a transfer of value occurring or being deemed to occur on or before Completion (whether or not in conjunction with the death of any person whenever occurring) which increased or decreased the value of the estate of the Company;
- (f) any third party costs and expenses reasonably and properly incurred by the Buyer and/or the Company in connection with:
 - (i) any liability or amount for which the Warranting Sellers are liable under any of paragraphs 2.1(a) to 2.1(f) inclusive, including the reasonably and properly incurred third party costs and expenses of investigating, assessing or contesting any Assessment in respect thereof; or
 - (ii) taking any action, including the defence of any Assessment, at the request or direction of the Warranting Sellers; or
 - (iii) any successful claim by the Buyer under this schedule.

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

3 RESTRICTION OF WARRANTING SELLERS' LIABILITY

- 3.1 The covenants contained in paragraph 2 shall not extend to any Tax Liability and the Warranting Sellers shall have no liability for a breach of any Tax Warranty to the extent that:
- (a) such Tax Liability was paid or discharged on or before Completion and such payment or discharge was reflected in the Accounts;
 - (b) provision or reserve in respect of that Tax Liability was made or reflected in the Accounts and has resulted in a reduction in the net asset value set out in the Accounts;
 - (c) it arises as a result of a transaction in the ordinary course of business of the Company between the Accounts Date and Completion (provided that none of the Events set out in Tax Warranty 4 shall be regarded as taking place in the ordinary course of business of the Company);
 - (d) such Tax Liability arises or is increased as a result of:

- (i) any change in Tax Legislation;
- (ii) any change in the published practice of a Tax Authority; or
- (iii) any increase in rates of Tax

(in each case) announced after Completion whether or not such change or increase has retrospective effect;

- (e) it would not have arisen but for a change in accounting policies (including a change in accounting reference date) or the accounting bases on which the Company values its assets (other than a change made to comply with law or UK GAAP in force at Completion) after Completion;
- (f) a relief other than a New Relief or Accounts Relief is available to the Company for no consideration to set against or relieve the Tax Liability in question;
- (g) the liability in question consist of interest and penalties and arises or is increased because the Buyer fails to comply with, or procure the compliance of the Company with, their respective obligations under paragraph 10 and 11 of this schedule;
- (h) such Tax Liability would not have arisen or been increased but for the Company becoming a member of the Buyer's Tax Group;
- (i) it is in respect of stamp duty or stamp duty reserve tax payable on the transfer or agreement to transfer the Sale Shares pursuant to the Agreement;
- (j) it arises in respect of any gross receipts, income, profits or gains which are actually received by the Company on or before the Accounts Date and which were not reflected in the Accounts and the benefit of such receipts, income, profits or gains are retained in the Company as at Completion;
- (k) the liability is made good or the Buyer or the Company is otherwise compensated for the liability under any other provision of this Agreement or otherwise at no expense to the Buyer or the Company;
- (l) it would not have arisen or would have been reduced but for a failure or omission on the part of the Buyer or the Company to make any election or claim any Relief the making or claiming of which was validly taken into account in computing the provision or reserve for tax in the Accounts and which are clearly identifiable in the Accounts;
- (m) the liability in question arises or is increased by reason of a voluntary disclaimer by the Company after Completion of the whole or any part of any allowance to which it is entitled under the Capital Allowances Act 2001 or by reason of the revocation or amendment by the Company after Completion of any election or claim for Relief made (whether provisionally or otherwise) prior to Completion save as any such disclaimer or revocation or amendment is reflected in the Accounts;
- (n) the liability in question consists of interest and penalties and would not have arisen or would have been reduced but for a failure or delay by the Buyer or the Company in paying over to any Tax Authority any payment previously made by the Warranting Sellers under this Schedule or this Agreement or in submitting any form, return or computation after Completion; or
- (o) such Tax Liability arises as a consequence of any voluntary act or transaction carried out after Completion by the Buyer or the Company which the Buyer knew or ought

reasonably to have been aware would give rise to the liability in question provided that this paragraph 3.1(o) shall not apply to any act or transaction:

- (i) required by law or carried out or effected by the Company pursuant to a legally binding commitment created or entered into before Completion; or
- (ii) which consists of communicating information to any Tax Authority; or
- (iii) carried out or effected by the Company in the ordinary course of its business.

4 LIMITATIONS

4.1 The liability of the Warranting Sellers under paragraph 2 will terminate on:

- (a) the 21st anniversary of Completion, for any claim under paragraph 2 for a liability arising from a loss of Tax caused fraudulently or deliberately by the Company or any related person, including a liability arising from an arrangement caught by Part 7A of ITEPA 2003 or from the Company's failure to comply with an obligation under sections 309, 310 or 313 of the Finance Act 2004 to disclose information about a tax avoidance scheme to which it was a party; or
- (b) the seventh anniversary of Completion (in any other case).

5 CREDIT FOR TAX SAVINGS

5.1 In this paragraph 5:

- (a) **"Prior Liability"** means a Tax Liability of the Company in respect of which the Warranting Sellers have made a payment to the Buyer under this schedule;
- (b) **"Overprovision"**: the amount by which any provision for Tax in the Accounts is overstated, except where that overstatement arise due to a change in law, a change in the accounting bases on which the Company values its assets or a voluntary act or omission of the Company, that, in each case, occurs after Completion or a voluntary act or omission of the Buyer at any time;
- (c) **"Refund"**: any refund, credit or repayment of Tax, or any entitlement to recovery in respect of any amount by reference to Tax from some person other than the Buyer or the Company, that has arisen or will arise in respect of gross receipts, income, profits or gains earned, accrued or received by the Company before Completion;
- (d) **"Tax Saving"** means the reduction or elimination of any Tax Liability of, or a repayment of Tax to, the Company to the extent that such reduction, elimination or repayment occurs on or before the seventh anniversary of this Agreement and would not have occurred but for the payment or discharge by the Company of a Prior Liability; and
- (e) the Company shall be regarded as obtaining the benefit of a Tax Saving on the last day on which (but for the Relief giving rise to the Tax Saving) it would have been obliged to make an actual payment of Tax in order to avoid incurring a liability to interest or a charge fine or penalty in respect of that Tax.

5.2 If the Buyer becomes aware that there has been or is an Overprovision, a Refund or a Tax Saving has arisen it will notify the Warranting Sellers as soon as practicable (such notice to include reasonably sufficient details of such Overprovision, Refund or Tax Saving). If (at the cost and expense of the Warranting Sellers) the auditors for the time being of the Company certify that there has been an Overprovision, or that there is a Refund that has been obtained

or is available to the Company or that the Company has obtained the benefit of a Tax Saving, then the Buyer shall repay to the Warranting Sellers an amount equal to the lesser of:

- (a) the amount of such Overprovision, Refund or Tax Saving (as certified by the auditors); and
- (b) (to the extent not already refunded) the amount(s) previously paid by the Warranting Sellers to the Buyer under this schedule in respect of the Prior Liability in question (in respect of a Tax Saving) or previously paid by the Warranting Sellers under this Schedule (in respect of an Overprovision or Refund).

5.3 The amount of any Overprovision, Refund or Tax Saving (or the Relief giving rise to such Tax Saving) shall not be created or increased by:

- (a) any Accounts Relief or New Relief (other than the Relief which itself gives rise to the Tax Saving);
- (b) any surrender or transfer of any Tax Liability to the Buyer and/or members of the Buyer's Tax Group;
- (c) any surrender or claim to surrender any amount by way of group relief, surplus advance corporation tax or tax refund;
- (d) any change in Tax Legislation, published practice of any Tax Authority or rates of Taxes (in each case) announced after Completion.

5.4 The Buyer shall and shall procure that the Company shall use reasonable endeavours to obtain any Refund.

6 TAX ON PAYMENTS

6.1 Save only as may be required by law all sums payable by the Warranting Sellers under this schedule shall be paid free and clear of all deductions or withholdings whatsoever.

6.2 If any deductions or withholdings are required by law to be made from any payment under this schedule, the Warranting Sellers shall pay such sum as will, after the deduction or withholding has been made, leave the Buyer with the same amount as it would have been entitled to receive in the absence of any such requirement to make a deduction or withholding.

6.3 If any sum payable by the Warranting Sellers to the Buyer under this schedule (including without limitation any sum payable under this paragraph 6) is (or but for the availability of any Accounts Relief or New Relief would be) subject to a Tax Liability in the hands of the Buyer the Warranting Sellers shall pay to the Buyer such sum as would have been required to be paid under paragraph 6.2 had that Tax Liability been a deduction or withholding from the sum payable by the Warranting Sellers.

6.4 If any additional amount is paid pursuant to this paragraphs 6 and the Buyer or any other member of the Buyer's Tax Group receives a refund of Tax or a credit against Tax attributable to the deduction or withholding or Tax liability giving rise to the payment or part thereof (a "**Tax Credit**"), the Buyer shall pay to the Warranting Sellers within seven Business Days of obtaining the Tax Credit the amount of such Tax Credit, less any costs or expenses properly incurred in obtaining the Tax Credit provided this shall not exceed the additional amount required to be paid by the Warranting Sellers under this paragraph 6.

- 6.5 If the Buyer assigns the benefit of this Tax Covenant or this Agreement, the Warranting Sellers shall only be liable pursuant to this paragraph 6 to the extent that the Warranting Sellers would have been so liable had no such assignment occurred.

7 DATE FOR PAYMENT

- 7.1 Where the Warranting Sellers become liable to make a payment pursuant to the provisions of this schedule, the due date for the making of that payment in cleared funds shall be the date falling seven business days after the date on which the Company or (as the case may be) the Buyer has notified the Warranting Sellers of the amount of the payment required to be made or, in the cases mentioned below, if later:

- (a) in the case of a liability within paragraph 2.1(a) the second business day prior to the last date on which the payment of Tax in question may be paid to the relevant Tax Authority in order to avoid incurring a liability to interest or a charge fine or penalty in respect of that Tax Liability; or
- (b) in the case of the loss or set-off of a right to repayment of Tax within paragraph 2.1(b) or 2.1(c), the date on which such repayment would have been received but for the loss or set-off; or
- (c) in the case of the set-off of a Relief (other than a right to repayment of Tax) within paragraph 2.1(b), the last date on which the Tax Liability which (but for the set-off) would have been payable could have been paid to the relevant Tax Authority in order to avoid incurring a liability to interest or a charge fine or penalty in respect of that Tax Liability; or
- (d) in the case of any liability within paragraph 2.1(d), the second business day prior to the date on which the payment or repayment becomes due and payable.

- 7.2 The provisions of section 213 Inheritance Tax Act 1984 shall not apply to any payments falling to be made under this schedule.

8 INTEREST ON LATE PAYMENTS

If any payment required to be made by the Warranting Sellers under this schedule is not made by the due date for payment thereof, then that payment shall carry interest from that due date until the date when the payment is actually made at the rate of 3 per cent above the base rate from time to time of Barclays Bank plc compounded quarterly.

9 PRICE REDUCTION

Any payment by the Warranting Sellers under this schedule shall (so far as possible) be treated as a reduction in the consideration paid for the Sale Shares provided that nothing in this paragraph 9 shall limit or exclude the liability of the Warranting Sellers under this Agreement.

10 ASSESSMENTS

- 10.1 If the Buyer or the Company shall become aware of any Assessment which is likely to give rise to a liability of the Warranting Sellers under this schedule the Buyer shall (or shall procure that the Company shall) as soon as reasonably practicable give notice of such Assessment to the Warranting Sellers (such notice to contain reasonable details of the Tax Liability or other liability in question and how such liability has been calculated), provided that such notice shall not be a condition precedent to the liability of the Warranting Sellers.

- 10.2 Subject to the following provisions of this paragraph 10, if the Warranting Sellers shall indemnify the Company and the Buyer to the reasonable satisfaction of the Buyer against all reasonably and properly incurred costs, damages and expenses (including interest on overdue Tax) which may be incurred thereby upon request and within 25 Business Days of request or of receipt of the notification pursuant to paragraph 10.1 the Buyer shall (and shall procure that the Company shall), in accordance with any reasonable instructions that the Warranting Sellers may reasonably request by notice in writing to the Buyer to seek to avoid, dispute, resist, appeal, compromise, request an internal HMRC or WRA review or defend such Assessment.
- 10.3 Neither the Buyer nor the Company shall be obliged to:
- (a) appeal against any assessment for Tax raised on it if, having given the Warranting Sellers notice of the receipt of that assessment, it has not within twenty days thereafter received instructions from the Warranting Sellers (starting with the date of receipt of a written request for indemnification from the Buyer by the Warranting Sellers), in accordance with the provisions of paragraph 10.2, to make that appeal;
 - (b) comply with any instruction of the Warranting Sellers which involves contesting any assessment for Tax before any court or other appellate body (excluding the Tax Authority in question) unless the Warranting Sellers furnish the Buyer with the written opinion of Tax counsel of at least six years' call to the effect that it is reasonable to appeal against the assessment for Tax in question having regard to the likelihood of success and the quantum of the Tax at stake;
 - (c) comply with any instruction of the Warranting Sellers to make a settlement or compromise of an Assessment which is the subject of a dispute or agree any matter in the conduct of such dispute which is reasonably considered to be likely materially to increase the amount thereof or to increase the future liability of the Company or the Buyer in respect of Tax; or
 - (d) comply with any instruction of the Warranting Sellers where it is necessary to pay the Tax which is the subject matter of the Assessment to the relevant Tax Authority in order to resist or otherwise deal with the Assessment unless the Warranting Sellers shall first have made a payment of such Tax to the Buyer (provided that, as soon as is reasonably practicable and in any event within 5 Business Days of receipt of any such payment from the Warranting Sellers, the Buyer shall procure that the Company makes the payment to the relevant Tax Authority or third party, and further provided that if the payment (or any part thereof) is repaid to the Company by the Tax Authority or third party, the Buyer shall, within 5 Business Days of such repayment, pay to the Warranting Sellers an amount equal to such repayment (after deducting therefrom an amount equal to any reasonable third party costs, fees and expenses properly incurred in obtaining the repayment, any amount which the Warranting Sellers are liable to pay (but has not paid) to the Buyer pursuant to this Tax Covenant and any Tax Liability incurred in respect of the repayment); or
 - (e) delegate day to day control of any matter to the Warranting Sellers or any person appointed by them.
- 10.4 The provisions of this paragraph 10 (other than paragraph 10.1) shall not apply if:
- (a) a Tax Authority shall have alleged in writing that the Warranting Sellers or, before Completion, the Company shall have committed any fraudulent, dishonest, reckless or wilfully misleading act or omission in relation to their Tax affairs; or
 - (b) the Tax Liability which is the subject of the Assessment is required to be paid pursuant to an Accelerated Payment Notice (as defined for the purposes of section 219 Finance Act 2014) or as a precondition to an appeal unless the Warranting Sellers shall have

paid to the Buyer or the Company an amount equal to such Tax Liability for the purpose of discharging the same (and, in accordance with paragraph 10.3(d) above, if prior to, or as a condition of, taking any Action, the Company is obliged to pay to, or lodge with, any Tax Authority or other third party any Tax (and/or any other amount) the subject of the Tax Claim, including any payment required to be made pursuant to an Accelerated Payment Notice (in either case whether in whole or in part), the Buyer shall or shall procure that the Company notifies the Warranting Sellers in writing of the amount of the Payment. the Warranting Sellers shall make a payment of such Tax to the Buyer provided that, as soon as is reasonably practicable and in any event within 5 Business Days of receipt of any such payment from the Warranting Sellers, the Buyer shall procure that the Company makes the payment to the relevant Tax Authority or third party, and further provided that if the payment (or any part thereof) is repaid to the Company by the Tax Authority or third party, the Buyer shall, within 5 Business Days of such repayment, pay to the Warranting Sellers an amount equal to such repayment (after deducting therefrom an amount equal to any reasonable third party costs, fees and expenses properly incurred in obtaining the repayment, any amount which the Warranting Sellers are liable to pay (but has not paid) to the Buyer pursuant to this Tax Covenant and any Tax Liability incurred in respect of the repayment);

- (c) if any of the Warranting Sellers are declared bankrupt, become unable to pay their debts as they fall due, enter into any arrangement (voluntary or otherwise with their creditors) or have any trustee in bankruptcy, administrator, receiver or liquidator appointed in respect of their affairs.
- 10.5 The Buyer shall procure that the Company shall keep the Warranting Sellers reasonably informed of matters pertaining to a Dispute reasonably promptly and shall procure that the Warranting Sellers shall see and keep copies of all material correspondence and be given a report of all material telephone conversations or meetings to the extent it relates to an Assessment;
 - 10.6 All material written communication pertaining to an Assessment which are to be transmitted to the relevant Tax Authority shall first be submitted to the Warranting Sellers and shall only be finally transmitted after taking account of any reasonable representations made by the Warranting Sellers' representative (such representations not to be refused or delayed);
 - 10.7 The Buyer shall procure that no settlement or compromise of the Assessment or agreement to any matter which is likely to affect the amount thereof or the existence or amount of any liability of the Warranting Sellers is made without the prior written approval of the Warranting Sellers such approval not to be unreasonably withheld or delayed;
 - 10.8 The provisions of this paragraph 10 shall apply with necessary modifications to any Assessment which is likely to give rise to a claim under the Tax Warranties.

11 CORPORATION TAX RETURNS

- 11.1 In this paragraph 11:
 - (a) **"Relevant Returns"** means all corporation tax computations and returns for the Company for each accounting period ended on or before Completion to the extent such returns have not been submitted to a Tax Authority prior to Completion; and
 - (b) **"Straddle Returns"** means the corporation tax computations and returns for the Company for each accounting period current at Completion.
- 11.2 Subject to the provisions of this paragraph 11, the Buyer shall at the expense of the Company cause the Relevant Returns to be prepared and shall deal with all matters and correspondence relating thereto including, the conduct of all negotiations and correspondence and the reaching

of all agreements with any Tax Authority relating thereto. The Buyer will procure that the Company keeps the Warranting Sellers reasonably informed of the Tax affairs of the Company for any accounting period ended on or before Completion for which final agreement with the relevant Tax Authority of the amount of Tax due from the Company has not been reached. The Buyer will not submit any substantive correspondence or submit or agree any return or computation for any such period to any Tax Authority without giving the Warranting Sellers a reasonable opportunity to comment and taking account of any reasonable representations made by the Warranting Sellers or any Sellers' representative. Any Relevant Return shall be submitted in draft to the Warranting Sellers for comment (in a manner consistent with past practices of the Company and without a change of any accounting method (except to the extent necessary to comply with applicable law)) and submitted to the Warranting Sellers (with the working papers used to produce the same and any supporting documentation) at least 20 Business Days before the last day on which the Tax has to be paid to the Tax Authority (or would have to be paid if there were any) without incurring interest. The Warranting Sellers shall comment within 11 Business Days of such submission and the Buyer shall make any amendments reasonably required by the Warranting Sellers to the Relevant Return but neither the Buyers nor the Company shall be required to submit any return to any Tax Authority which in its reasonable opinion is not complete and accurate or is misleading.

- 11.3 Subject as above, the Buyer shall procure that the Company shall cause the finalised Relevant Returns to be authorised, signed and submitted to the Tax Authority.
- 11.4 No material communication (written or otherwise) pertaining to or arising out of a Relevant Return shall be sent to a Tax Authority without first having been approved by the Buyer (such approval not to be unreasonably withheld or delayed). If the Warranting Sellers give no comments or amendments to the Buyer within 10 Business Days of submission of draft will be deemed to have approved such draft documents.
- 11.5 The Buyer shall cause a draft of all Straddle Returns to be submitted to the Warranting Sellers (with the working papers used to produce the same and any supporting documentation) at least 20 Business Days before its intended submission to the Tax Authority and the Buyer shall consider any reasonable comments made by the Warranting Sellers thereon in relation to the part of the period up to and including Completion.
- 11.6 The provisions of paragraph 10 (Assessments) shall take precedence over this paragraph 11.

12 ACCESS TO BOOKS AND RECORDS

- 12.1 The Buyer shall (and shall procure that the Company and its agents) provide to the Warranting Sellers and the Warranting Sellers shall (and shall procure that their agents) provide to the Buyer and Company such reasonable access to relevant books, accounts and records in their respective possession or control as is necessary and reasonable:
- (a) to investigate, assess or, subject to paragraph 10, to contest any Assessment; or
 - (b) to prepare, submit and agree the Relevant Returns in accordance with paragraph 11.

13 BUYER'S COVENANT

- 13.1 The Buyer shall pay to the Warranting Sellers an amount equal to any tax liability relating to any of the following events occurring or deemed to occur after Completion:
- (a) the Company or any member of the Buyer's Tax Group failing to pay any Tax for which it is liable and for which the Buyer would not have been entitled to make a claim against the Warranting Sellers under the Tax Schedule if the Company, or the relevant member of the Buyer's Tax Group, as applicable, had paid that liability;

- (b) the making by the Company or any member of the Buyer's Tax Group of any payment or deemed payment that is treated as a chargeable payment for the purposes of section 1087 of the Corporation Tax Act 2010 where the Company or the relevant member of the Buyer's Tax Group was aware that the payment would give rise to a liability for Taxation; or
 - (c) the Company or any member of the Buyer's Tax Group ceasing to be resident in the United Kingdom for Tax purposes.
- 13.2 Any payment made by the Buyer under paragraph 13.1 shall be made seven days before the last day on which the relevant payment of Tax is due to be made to the relevant Tax Authority without incurring any liability to interest or penalties.
- 13.3 The Warranting Sellers shall not pursue any statutory right of recovery against the Buyer in respect of any liability for which the Buyer is liable under this paragraph 13.
- 13.4 The provisions of paragraph 10 shall apply to any liability under this paragraph 10 as though references to the Warranting Sellers were to the Buyer and vice versa and with all other necessary modifications.
- 13.5 The Buyer shall pay to the Warranting Sellers an amount equal to all costs and expenses reasonably and properly incurred by the Warranting Sellers in connection with any tax liability as described in paragraph 13.1 or any action taken under this paragraph 13.3.

SCHEDULE 6

1. GENERAL

- 1.1 Notwithstanding anything in this agreement to the contrary, the provisions of this Schedule operate to limit the liability of the Sellers both in respect of any Claim by the Buyer for any breach of or inaccuracy in the Warranties or for any other breach of this agreement whatsoever.
- 1.2 Each provision of this Schedule shall be read and construed without prejudice to each of the other provisions of this Schedule.

2. SELLER LIMITATIONS

- 2.1 The aggregate liability of the Sellers for all Claims from time to time shall not exceed an amount equal to the total of:

(i) the Cash Element;

(ii) the total Market Receipts (in £ sterling) derived from the Market Sale of the 1st Tranche (unless at that time the 1st Tranche is subject to Security Restrictions) (**1st Tranche Amount**); and

(iii) the total Market Receipts (in £ sterling) derived from the Market Sale of the Unreleased Buyer Shares (which at that time had not become Released Buyer Shares) (**Relevant Unreleased Buyer Shares**)) and in satisfaction of any such liability, the Buyer's only right of recourse to satisfy that liability shall be in the following manner and sequence:

2.1.1 by payment from each Seller (in the Buyer Proportion) for a maximum amount equal to each Seller's entitlement to the aggregate of (i) Cash Element and (ii) the 1st Tranche Amount (as set out opposite their respective names in Schedule 1).

2.1.2 through the Market Sale of those Relevant Unreleased Buyer Shares in reverse chronological order (ie starting with those due to be released 18 months after Completion as referred to in clause 3.2.7 of this agreement) attributable to each Seller in the Buyer Proportion, where the amount of the liability deemed so satisfied shall be calculated by aggregating the Market Receipts derived from such Market Sale; then, to the extent the liability remains unsatisfied.

- 2.2 The Sellers shall not be liable for a Claim (other than a Tax Claim) unless:

2.2.1 the Sellers' liability in respect of a Claim (other than a Tax Claim and together with any connected Claims) exceeds £10,000; and

2.2.2 the amount of the Sellers' liability in respect of a Claim (other than a Tax Claim), either individually or when aggregated with their liability for all other Claims (other than those excluded under paragraph 2.2.1), exceeds £100,000, in which case the Sellers shall be liable for the whole amount of the Claim and not just the amount above the threshold specified in this paragraph 2.2.2.

For the purposes of this paragraph 2.2, a Claim is connected with another Claim if the Claims arise from the same facts, events or circumstances.

- 2.3 The Sellers shall not be liable for a Claim (other than a Tax Claim) unless notice in writing summarising in reasonable detail the nature of the Claim (in so far as it is known to the Buyer) and, as far as is reasonably practicable, the amount claimed, has been given by or on behalf of the Buyer to the Sellers:

- 2.3.1 in the case of a Claim for breach of the Tax Warranties, on or before the 7th anniversary of Completion; or
 - 2.3.2 in any other case, within the period of two years commencing on the Completion Date.
- 2.4 The Sellers shall not be liable for a Claim (other than a Tax Claim) if and to the extent that:
- 2.4.1 the Claim arises from facts, events or circumstances that have been Disclosed;
 - 2.4.2 the Claim, or the subject matter of the Claim, occurs or arises out of or as a result of the sale and purchase of the Sale Shares pursuant to this agreement or any other act or transaction carried out pursuant to this agreement;
 - 2.4.3 the matter giving rise to the Claim arises from any voluntary act, omission or transaction before Completion carried out at the request or direction of, or with the written consent of, the Buyer or any member of the Buyer's Group;
 - 2.4.4 the matter giving rise to the Claim arises from any voluntary act, omission or transaction of the Buyer or member of the Buyer's Group on or after Completion;
 - 2.4.5 allowance, provision or reserve in respect of the matter giving rise to the Claim has been specifically provided for in the Accounts ;
 - 2.4.6 the Claim arises as a consequence of a change in the law enacted after the date of this agreement or a change in accounting policy or practice of the Buyer or the Company introduced after Completion;
 - 2.4.7 the Claim arises as a result of any increase in rates of Taxation made after the date of this Agreement or as a result of the retrospective imposition of Taxation; or
 - 2.4.8 the matter giving rise to the Claim is an amount for which the Buyer, another member of the Buyer's Group or the Company has the right to make recovery or is entitled to claim indemnity from any person other than the Sellers, whether under law, a relevant insurance policy or otherwise.
- 2.5 The Sellers shall not be liable for a breach of the Tax Warranties if and to the extent that the claim arises from facts, events or circumstances that have been Disclosed.
- 2.6 Save as Disclosed, the Buyer warrants that it knows (after having made reasonable enquiry) of no matter or circumstance as at the date of the agreement which would, or the Buyer reasonably believes might, entitle the Buyer to make a Claim.
- 2.7 If a Claim (other than a Tax Claim) arises by reason of some liability of the Company which, at the time such Claim is notified, is contingent or incapable of being quantified, the Sellers will not be under any obligation to make payment in respect of Claim unless and until such liability ceases to be contingent or becomes capable of being quantified (as the case may be) before the relevant date set out in paragraph 2.3.
- 2.8 The Sellers will have no liability to the Buyer to the extent that the subject of the Claim relates to the fact that the Company has lost goodwill or possible business after Completion.
- 2.9 The Buyer is not entitled to claim for any indirect or consequential loss (including loss of profit) or punitive damages.

SCHEDULE 7

INTELLECTUAL PROPERTY RIGHTS

1. UNREGISTERED INTELLECTUAL PROPERTY

- 1.1. The Company's logomark and the Company's website content including but not limited to blog posts and the A-Z plant library;
- 1.2. The Company's customised order fulfilment system built on top of AWS to liaise with Shopify and Flora@Home;
- 1.3. Domain name www.bloomboxclub.com;
- 1.4. Domain name www.bloomboxclub.de;
- 1.5. Domain name www.bloomboxclub.co.uk;
- 1.6. Domain name www.bloomboxblog.co.uk;
- 1.7. Domain name www.bloomboxclub.blog; and
- 1.8. Domain name www.bloomboxclub.email.

SCHEDULE 8
THE PROPERTIES

Particulars of the Leasehold Properties

Description of the Property	Unit 01.0G.01, The Leather Market, Weston Street, Bermondsey, London, SE1 3ER
Description of Lease (lease, underlease, licence, date and parties)	Occupation Agreement between Workspace 14 Lt and Bloomboxclub Limited dated 07 March 2019
Owner	Workspace 14 Ltd, company registration number 05834831, whose registered office is at Canterbury Court Kennington Park, 1-3 Brixton Road, London, England, SW9 6DE
Registered/unregistered	Unregistered
Title number (if registered)	N/A
Contractual date of termination of lease	14 March 2021
Occupier	Bloomboxclub Limited
Current Use	Office for an Online Plant Subscription Co.

EXECUTION PAGES

Signed by **Katie Gilbert**

"Katie Gilbert"

Signed by **John Gilbert**

"John Gilbert"

Signed by Frank Webster, a director, for on behalf of **FF Homecare & Hygiene Ltd**

"Frank Webster"

Signed for and on behalf of each Seller (named below) by, John Gilbert, the duly authorised attorney of each such Seller:

"John Gilbert"

Lars Peter Busch
Busch Invest Aps
Lana Novak
Andrew Houston
Peter Redhead
Gideon Reeves
Colin Dartnell
Offham Assets Ltd
Dekko Holdings Ltd
Ben Pritchard
Sarah Lawton

Crowdcube Nominees Ltd
Vjenceslav Novak
Alex Scott
Julian Stortt
Beena Goyal
Ashish Goyal
Nisha Goyal
Ram Goyal
Andrew Meikle
Bruno Felgueiras

Signed by Lorne Rapkin, a director, for on behalf of **PlantX Life Inc.**

"Lorne Rapkin"