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Marwyn Acquisition Company PLC
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7 November 2022

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This announcement contains inside information.

Marwyn Acquisition Company plc

(to be renamed 450 plc)

("MAC plc" or the "Company")

Waheed Alli appointed Chair of MAC plc to build leader in the creative industries sector

London, 7 November 2022: Today, Marwyn Acquisition Company plc ("**MAC plc**" or the "**Company**"), is pleased to announce the appointment of Waheed Alli as its new Chair with effect from 6 November 2022. The Company has also announced that it is proposing changing its name to 450 plc.

The appointment of Waheed Alli as Chair will lead to a proposed change of the company's investing policy to focus on building a market leader in the creative industries, capitalising on the ongoing transformation of the content, media and technology sectors. This new focus will be supported by Waheed's decades-long sectoral experience and track record of building and leading businesses in the creative sector.

The Company has also appointed Tom Basset as a non-executive Director and Mark Brangstrup Watts has resigned as a director of the Company, each with effect from 6 November 2022.
The Company also announces the establishment of a new long-term incentive scheme that focuses on creating shareholder value and the publication of its notice of Annual General Meeting.

MAC plc is an AIM-listed acquisition vehicle launched in partnership with Marwyn Investment Management LLP ("**Marwyn**"). Marwyn has a track record of supporting management partners in building highly successful companies, including in the content, media and technology sectors, such as Entertainment One and Advanced Computer Software Group.

Commenting on the appointment of Waheed Alli as Chair:

James Corsellis, Director of the Company and Managing Partner of Marwyn, said: "*We are delighted to be working with Waheed and are very excited by the potential investment opportunities given his extensive track record of launching and growing creatively-centred businesses.*"

Waheed Alli, Chair of the Company, commented: "*I am thrilled to be joining MAC plc as Chair and look forward to working with Marwyn to execute our proposed investment strategy. Together with Marwyn, who have invested in several highly successful content, media and technology businesses, we have a great opportunity to take advantage of the positive and growing structural trends in the space.*"

Waheed Alli

Waheed has over 30 years' experience across the media, retail, entertainment and technology sectors, having launched and grown a number of highly successful private and public businesses in his career.

Waheed co-founded Planet 24, a TV production company which produced shows such as *The Big Breakfast*, *The Word* and *Survivor (created by Charlie Parsons)*. Planet 24 was sold to Carlton Productions, now known as ITV Studios, in 1999.

Waheed co-founded TV production company, Shine, and was Chair of production company Chorion plc, including during its time as a listed business between 2003 and 2006 delivering

share price growth of over 275%.

As Founder and CEO of Silvergate Media, Waheed acquired the IP and distribution rights to *The Octonauts* in 2011, establishing international partnerships with Netflix, Disney and Nickelodeon before selling Silvergate Media (producer of *The Octonauts*) to Sony in 2019.

Waheed was also Chair of ASOS plc between 2001 and 2012 where he oversaw market capitalisation growth from £12.3 million at IPO to £1.9 billion.

Waheed Alli has served as a member of the House of Lords since 1998.

Tom Basset

Tom has extensive experience working across a range of sectors in the origination and assessment of new investment opportunities, transaction execution, coordinating capital market and M&A processes and providing strategic corporate advice to management teams. Tom joined Marwyn in 2010, where he now leads the Investment Team and is also a member of the Investment Committee. Prior to Marwyn, Tom spent six years at Deloitte across the Assurance & Advisory and Private Equity Transaction Services groups.

Tom is a qualified Chartered Accountant and graduated from Durham University with a BA (Hons) in Economics.

Proposed New Investing Policy

In line with Waheed Alli's appointment and industry expertise it is proposed that the investing policy of the Company be amended to focus on acquisition opportunities arising within the traditional and digital creative industries encompassing the content, media and technology sectors.

The Company will consider the acquisition of private companies and public offers for, and mergers with, existing listed businesses, in the UK and internationally.

The Company's proposed New Investing Policy is subject to shareholder approval at the Annual General Meeting.

Sector background notes

The ongoing digital transformation of the media and entertainment industries and widespread adoption of digital media has led to a fundamental change in the way content is created, consumed and engaged with.

- Global content spend among the nine leading content producing companies grew at 10% from prior year to reach $140.5 billion in 2022, and is forecast to grow at a 7% compound annual growth rate to $172 billion by 2025 (Source: Wells Fargo).
- In the UK, the average amount of time spent watching video content through live TV has fallen from 83% in 2010 to 46% in 2022 following the growth of streaming, broadcaster video on demand and content platforms such as YouTube (Source: Ofcom).
- The Creator Economy, emerging in the period since c.2012, is now estimated to be worth more than $100 billion, with over 50 million individual creators across the World producing and distributing content (Source: Forbes).

The Directors believe there is a significant opportunity to invest in content, media or technology companies that have facilitated and are expected to continue to benefit from this shift.

Company background

MAC plc is an acquisition vehicle listed on the AIM market of the London Stock Exchange and was established to provide shareholders with attractive total returns achieved through capital appreciation. The Company is incorporated in Jersey and domiciled in the United Kingdom where it is and currently intends to remain tax resident (to be reviewed at the time of a Business Acquisition).

MAC plc was launched in partnership with Marwyn whose managed funds beneficially hold 95.36% of the Company's issued ordinary shares. Marwyn's investment experience in the content, technology and media sectors is noted through its previous investments, including:

- **Entertainment One Limited ("eOne")**: An acquisition vehicle led by Darren Throop which became a leading global owner, producer and distributor of film and TV content through 19 acquisitions (including the acquisition and development of the Peppa Pig franchise). eOne was acquired in 2019 by Hasbro Inc, for £3.3 billion, resulting in aggregate equity profits to shareholders over the life of the investment of over £2.0 billion.

- **Advanced Computer Software Group ("ACS")**: An acquisition vehicle led by Vin Murria OBE with a stated investment strategy of acquiring managed software businesses in sectors undergoing structural and technological change. ACS subsequently acquired 15 businesses and was acquired by Vista Equity Partners in 2015 for an enterprise value of £750 million, resulting in aggregate equity profits to shareholders over the life of the investment of almost £600 million.

- **AdvancedAdvT Limited ("AdvT")**: AdvT is Marwyn's second acquisition vehicle launched in partnership with Vin Murria OBE which raised £130 million in March 2021 and is focussed on mid-cap acquisition opportunities in the digital, software and services sectors.

New Long Term Incentive Plan

On 3 November 2022, the Company incorporated a new subsidiary, MAC (BVI) Limited (the "**Principal Subsidiary**"), whose purpose is to create the new Long Term Incentive Plan (the "**LTIP**")**.**

Waheed Alli and Marwyn Long Term Incentive LP ("**MLTI**") (in which James Corsellis and Tom Basset (the "**Founders**") are beneficially interested) have acquired Incentive Shares in accordance with the Company's new Long Term Incentive Plan. The Company's existing incentive plan will be terminated through the winding up of WHJ Limited, a direct subsidiary of the Company.

Waheed Alli and MLTI are the only participants in the LTIP as at the date of this announcement, but it is the expectation that participants in the LTIP may ultimately include any further members of the Company's management team as well as senior executives of the acquired businesses or companies as part of their respective executive compensation schemes.

Waheed Alli's participation in the LTIP shall be subject to full taxation in the United Kingdom where he is tax resident.

An overview of the principles and key terms of the LTIP are set out in Appendix II below.

Amended and restated Corporate Services and Advisory Agreement

On 6 November 2022 the Company, the Principal Subsidiary and Marwyn Capital LLP ("**Marwyn Capital**") entered into an amended and restated corporate services and advisory agreement (the "**New CSA Agreement**"). Pursuant to the New CSA Agreement: (i) the monthly advisory fees payable to Marwyn Capital by the Principal Subsidiary will increase to £25,000; and (ii) the fee payable to Marwyn Capital in respect of certain managed services provided by Marwyn Capital to the Group, which are charged on a time cost basis, will be made subject to an upward adjustment by Marwyn in line with market rates for the services provided, each with effect from 6 November 2022.

Change of name, ticker and website

Subject to the approval of the necessary resolution at the Annual General Meeting, the Company will be renamed 450 plc, with a new LSE ticker (450.L) and website (www.450plc.com).

Notice of Annual General Meeting

The Annual General Meeting of the Company is to be held at the offices of Travers Smith LLP, 10 Snow Hill, EC1A 2AL, London on 5 December 2022 at 9.00 a.m.

The circular which contains notice of the Annual General Meeting (the "**Circular**") and the associated Form of Proxy are available on the 'Shareholder Documents' page of the Company's website at https://marwynacplc.com/investors/reports-and-presentations/default.aspx.

Marwyn Investment Management LLP irrevocable undertaking

The Company has received an irrevocable undertaking to vote in favour of the Resolutions from Marwyn (in its capacity as manager of the Marwyn funds) accounting for 639,985,278 Ordinary Shares, representing 95.36 per cent. of the issued share capital of the Company.

On the basis that (i) Resolutions 1 to 9 (inclusive) are to be proposed as Ordinary Resolutions requiring a simple majority of votes cast to be in favour in order to be passed; (ii) Resolutions 10 and 11 require two thirds of votes cast to be in favour in order to be passed and (iii) Marwyn acting alone controls over two thirds of the voting interests in the Company, Resolutions 1 to 11 (inclusive) will be passed at the AGM if Marwyn approves such Resolutions in accordance with the irrevocable undertaking described in the above paragraph.

Related party transactions

WA Transactions

Waheed Alli is a director of the Company and the Principal Subsidiary. Accordingly, each of the following transactions between the Company, the Principal Subsidiary and Waheed Alli constitute a related party transaction pursuant to Rule 13 of the AIM Rules:

- the entry into the WA Appointment Letter (as described and defined in Appendix I below) (and in particular, the obligation to pay a Transaction Fee (as defined in Appendix I below) conditional on a platform acquisition being completed during Waheed Alli's appointment);
- the granting by the Company of an indemnity to Waheed Alli in accordance with the terms of the WA Indemnity Agreement (as described and defined below); and
- the subscription by Waheed Alli for Incentive Shares for an aggregate consideration of £21,000,

(together the "**WA Transactions**").

The directors of the Company independent of the WA Transactions, having consulted with the Company's nominated adviser, Numis Securities Limited, consider the terms of the WA Transactions to be fair and reasonable insofar as the Company's shareholders are concerned.

Marwyn Transactions

The Founders have a beneficial interest in MLTI, which holds 2,000 Incentive Shares in the Principal Subsidiary. The Founders are also directors of the Company and are partners of Marwyn Capital and James Corsellis is also a director of the Principal Subsidiary. Accordingly, each of the following transactions between the Company, the Principal Subsidiary, the Founders and Marwyn entities (in each case as applicable) constitute a related party transaction pursuant to Rule 13 of the AIM Rules:

- the entry into the TB Appointment Letter (as defined in Appendix I below);
- the entry into the JC Indemnity Agreement (as defined in Appendix I below);
- the entry into the TB Indemnity Agreement (as defined in Appendix I below);
- the subscription by MLTI for 2,000 Incentive Shares for an aggregate consideration of £21,000; and
- the entry into the New CSA Agreement between the Company, the Principal Subsidiary and Marwyn Capital,

(the "**Marwyn Transactions**").

The directors of the Company independent of the Marwyn Transactions, having consulted with the Company's nominated adviser, Numis Securities Limited, consider the terms of the Marwyn Transactions to be fair and reasonable insofar as the Company's shareholders are concerned.

Proposed future fundraising

The Company intends to conduct institutional placing(s) of Ordinary Shares ahead of and/or at the time of, the company's first platform acquisition ("**Business Acquisition**") (each a "**Placing**"). Waheed Alli has confirmed his intention to subscribe for Ordinary Shares as part of or alongside one or more such Placings.

Capitalised terms used and not otherwise defined in this announcement shall have the same meaning as in the Circular.

Enquiries:

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Appendix I

AIM Rules disclosures

Lord Waheed Alli is Chair of Marwyn Acquisition Company plc, which has its offices at 11 Buckingham Street, London, WC2N 6DF.

The following information in relation to the appointment of Waheed Alli (aged 58) is disclosed in accordance with Rule 17 and Schedule Two, paragraph (g) of the AIM Rules.

Current Directorships
BM Creative Management Limited
Hignell Gallery Limited
Koovs Plc (in administration)
MK-LF Partnership Limited
Oct S5 Limited
Olga TV Limited
SGIF 2 Investments Limited
SGIK 3 Investments Limited
Silvergate BP Bidco Limited
Silvergate Media Limited
Silvergate PPL Limited
Silver Star Productions Ltd
The Charlie Parsons Foundation
Vampire Squid Productions Limited

Directorships held in the last five years:
Castaway Holdings Limited (dissolved)
Fairytale HD Limited
Hilda Productions Limited
Kid Fashion Limited
Monkey WTB Limited
Silvergate Bidco Limited
Silvergate Egglington Limited
Silvergate Group Holdings Limited
Silvergate Investments Limited (dissolved)
Silvergate Topco Limited
Silvergate Media Alex of Athens Limited
Silvergate Media Creature Cases Limited
Silvergate Media Developments Limited (dissolved)
Silvergate Media Fashion Limited
Silvergate Media Holdings Limited
Silvergate Media Inc
Silvergate Media Super Kitties Ltd
Silvergate Media SDMC Limited
Silvergate Media Whatchas Ltd
Sunny Styles Productions Limited

Waheed Alli is a director of Koovs Plc. Koovs Plc entered into administration on 10 December 2019 and still remains in administration. Koovs Plc was an online fashion retailer in India trading in affordable Western fashion for Indian consumers.

Koovs Plc entered administration when a significant committed equity investment (circa £7 million) did not complete. Koovs Plc had one major secured creditor managed by a security trustee, Capital Trust Company Limited (now Apex Corporate Trustees (UK) Limited). The secured creditor was owed £10.2 million plus interest and costs on commencement of the administration and will suffer a shortfall of circa £7.2 million.

Preferential creditors in the administration have been paid in full and all other unsecured creditors have either been paid in full or were taken forward by the purchaser of the business and assets of Koovs Plc from the administrator.

Waheed Alli was a director of Planet Acquisitions Holdings Limited, Planet Acquisitions Holdco 1 Limited, Planet Acquisitions Holdco 2 Limited and Planet Acquisitions Limited (altogether the "Planet Acquisitions companies") until 24 August 2011. The Planet Acquisition companies entered into creditors voluntary liquidation on 31 July 2012 and were dissolved on 16 January 2021.

The following information in relation to the appointment of Tom Basset (aged 41) is disclosed in accordance with Rule 17 and Schedule Two, paragraph (g) of the AIM Rules.

Current Directorships/Partnership Interests
Marwyn LTIP LP
Marwyn Acquisition Company III Limited
MAC Alpha Limited
Silvercloud Holdings Limited

There are no other disclosures required in accordance with Rule 17 and Schedule Two, paragraph (g) of the AIM Rules.

The following information in relation to the appointments of Waheed Alli and Tom Basset is disclosed in accordance with Rule 13 and Schedule Four, paragraph (g) of the AIM Rules.

WA Appointment Letter

On 6 November 2022, the Company entered into an appointment with Waheed Alli pursuant to which he was appointed by the Company as a non-executive director and Chair of the Company with effect from 6 November 2022 (the "**WA Appointment Letter**"). Pursuant to the WA Appointment Letter, Waheed Alli will not be entitled to a fee for his services as a non-executive chair of the Company, however, this will be reviewed on completion of a platform acquisition (when his fee will be aligned to that of the other directors of the Company). If a platform acquisition is completed during his appointment, Waheed Alli is also entitled under the terms of the WA Appointment Letter to the payment of a one-off transaction fee of an amount equal to £25,000 per calendar month elapsed between the date of Waheed Alli's appointment and a platform acquisition being completed (a "**Transaction Fee**"). If no platform acquisition is completed during Waheed Alli's appointment then no Transaction Fee will be payable.

During the First Minimum Term (defined below), the WA Appointment Letter may be terminated by either the Company or Waheed Alli by giving not less than (i) one month's prior written notice expiring on the last day of the First Minimum Term; or (ii) subject to the Second Minimum Term (defined below) having not commenced, three months' prior written notice expiring at any time following the end of the First Minimum Term. During the Second Minimum Term, the WA Appointment Letter may be terminated by either the Company or Waheed Alli by giving not less than three months' prior written notice expiring on the last day of the Second Minimum Term. After the expiry of the Second Minimum Term, the WA Appointment Letter may be terminated by either the Company or Waheed Alli by giving not less than six months' prior written notice. Waheed Alli may terminate the WA Appointment Letter on one month's prior written notice if certain tax matters relating to the Group change (including if the Company ceases to be UK tax resident).

The WA Appointment Letter provides that, subject to the Board's written consent, during the First Minimum Term Waheed Alli will not be engaged or otherwise interested:

- in any cash shell company, special purpose acquisition vehicle or entity having similar characteristics, in any case listed on a recognised stock exchange; and
- in any acquisition opportunities which he becomes aware of, or was introduced to, in his capacity or performance as a director of the Company.

The above restrictions shall not apply to acquisition opportunities rejected by the Company.

The WA Appointment Letter is governed by English law.

In the WA Appointment Letter:

- "**Effective Date**" means 6 November 2022, being the date of Waheed Alli's appointment;
- "**First Minimum Term**" means the period from the Effective Date until the earlier of (i) the commencement of the Second Minimum Term and (ii) the date falling two years after the Effective Date; and
- "**Second Minimum Term**" means the period of two years commencing on the day after the completion of the platform acquisition by the Group.

WA Indemnity
On 6 November 2022, the Company executed an indemnity agreement in favour of Waheed

Alli (the "**WA Indemnity Agreement**"). Pursuant to the WA Indemnity Agreement, in accordance with the Articles the Company is required to indemnify Waheed Alli against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement in connection with legal, administrative or investigative proceedings, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that Waheed Alli is or was a Director. The foregoing indemnity only applies subject to limitations on the granting of such indemnities by a Jersey company (including that payments under any such indemnity can only be made if Waheed Alli acted honestly and in good faith with a view to the best interests of the Company). The WA Indemnity Agreement is governed by Jersey law.

TB Appointment Letter

On 6 November 2022, the Company entered into a non-executive appointment letter with Tom Basset (the "**TB Appointment Letter**") pursuant to which he was appointed by the Company as a non-executive Director with effect from 6 November 2022. Pursuant to the TB Appointment Letter, Tom Basset is not entitled to an ongoing fee in connection with his appointment. Fee arrangements will be reviewed at the time of a platform acquisition.

Subject to certain limited exceptions which permit immediate termination (including if applicable law or regulation required the cessation of the appointment), the TB Appointment Letter may be terminated by either the Company or Tom Basset by giving not less than three months' prior written notice.

The TB Appointment Letter contains a restrictive covenant limiting his ability to solicit employees or the business of the Group for a six month period following the termination of his appointment with the Company.

The TB Appointment Letter is governed by English law.

Founders' Indemnity Agreements

On 6 November 2022 the Company executed indemnity agreements in favour of James Corsellis (the "**JC Indemnity Agreement**") and Tom Basset (the "**TB Indemnity Agreement**" and, together with the JC Indemnity Agreement, the "**Founders' Indemnity Agreements**"). The Founders' Indemnity Agreements are governed by Jersey law and are on identical terms to the WA Indemnity Agreement described above.

Appendix II

LTIP

The LTIP will only reward the participants if shareholder value is created. This ensures alignment of the interests of LTIP participants directly with those of Shareholders. The terms of the awards may include additional customary terms including, but not limited to, additional service and performance criteria as well as lock up, malus and claw back provisions. The general principles of the Company's compensation strategy are to be:

- **Proportionate:** to the role being undertaken by the participants and reflecting the participants' value to delivering outstanding, sustainable shareholder returns;
- **Transparent:** the compensation structure and its associated terms should be transparent to investors and the impact of the scheme clearly communicated to investors on an ongoing basis;
- **Performance Based:** minimum performance criteria should be based on equity profits generated, taking into account all equity issuance over the lifetime of the relevant measurement period, subject to minimum preferred returns; and
- **Encourage Sustainable Value Creation:** incentive arrangements should be structured to encourage the creation of sustainable returns through long-term vesting and performance measurement periods.

Reflecting this strategy, the base terms of the Company's LTIP are as follows:

- The LTIP is performance based and enables the participants to exchange redeemable A ordinary shares of £0.01 each of the Principal Subsidiary ("**Incentive Shares**") for new Ordinary Shares in the Company. See the section headed "Incentive Value" below.
- The incentive arrangements are subject to the Company's shareholders achieving a preferred return of at least 7.5 per cent. per annum on a compounded basis on the basis of a starting net asset value of £4,800,905, being the audited net asset value of the Company as at 30 June 2022 (the "**Starting NAV**"), through to the date of exercise (with dividends and returns of capital being treated as a reduction in the amount invested at the relevant time) (the "**Preferred Return**").
- Participants may exercise their rights under the LTIP only between the third and seventh anniversary of the company's Business Acquisition or otherwise on:
  - a sale, merger or change of control of the Company or a sale or merger of the Principal Subsidiary or a sale of all or substantially all of the revenue or

net assets of the Principal Subsidiary in combination with the distribution of the net proceeds of that sale or merger to Shareholders (an "**Exit**"); or

- a distribution in specie by the Company of all or substantially all of the Company's assets (a "**Distribution**").

Incentive Shares in issue

Waheed Alli, the Founders and MLTI are beneficially interested in Incentive Shares**.** At the date of this announcement, Waheed Alli, the Founders and MLTI hold direct or indirect interests in Incentive Shares entitling them in aggregate to 100 per cent. of the Incentive Value.

Waheed Alli and MLTI have each subscribed for 2,000 Incentive Shares. Future management partners and members of management that may be employed by the Company may be offered the right to acquire further Incentive Shares which, if issued, will dilute existing Incentive Shares on a *pro rata* basis.

The Incentive Value of the LTIP in aggregate will not increase.

Incentive value

Subject to a number of provisions detailed below, if the Preferred Return and at least one of the vesting conditions have been met, the holders of the Incentive Shares can give notice to redeem their Incentive Shares for Ordinary Shares for an aggregate value equivalent to a maximum of 20 per cent. of the "**Growth",** where Growth means the excess of the total equity value of the Company and other shareholder returns over and above the Starting NAV (20 per cent. of the Growth being the "**Incentive Value**")**.** The Incentive Value will be shared between holders of the Incentive Shares *pro rata* to their holdings.

Save where vesting is as a result of an in-specie distribution, or as a result of aggregate cash dividends and cash capital returns to the Shareholders being greater than or equal to aggregate subscription proceeds received by the Company, the total equity value of the Company is based on the live takeover offer, sale price or merger value, or, absent such an exit event, the market value of the Company based on the preceding 30 day volume weighted average price of the Ordinary Shares (excluding any trades made by persons discharging managerial responsibility or persons closely associated with them). Where vesting is because of an in-specie distribution or as a result of aggregate cash dividends and cash capital returns to the Shareholders being greater than or equal to aggregate subscription proceeds received by the Company, the total equity value of the Company is based on the post-distribution market value. Shareholder returns take account of prior dividends and other capital returns to shareholders.

The value of the Incentive Shares is reduced to the extent that their value would otherwise prevent Shareholders from achieving the Preferred Return.

Redemption/exercise

Unless otherwise determined and subject to the redemption conditions having been met, the Company and the holders of the Incentive Shares have the right to exchange each Incentive Share for Ordinary Shares, which will be dilutive to the interests of the holders of Ordinary Shares. However, if the Company has sufficient cash resources and the Company so determines, the Incentive Shares may instead be redeemed for cash. It is currently expected that in the ordinary course Incentive Shares will be exchanged for Ordinary Shares. However, the Company retains the right to redeem the Incentive Shares for cash instead. Circumstances where the Company may exercise this right include, but are not limited to, where the Company is not authorised to issue additional Ordinary Shares or on the winding-up or takeover of the Company.

Any holder of Incentive Shares who exercises their Incentive Shares prior to other holders is entitled to their proportion of the Incentive Value to the date that they exercise but no more. Their proportion is determined by the number of Incentive Shares they hold relative to the total number of issued shares of the same class.

Vesting conditions

The Incentive Shares are subject to certain vesting conditions, at least one of which must be (and continue to be) satisfied in order for a holder of Incentive Shares to exercise its redemption right. The vesting conditions for the Incentive Shares are as follows:

(i) it is later than the third anniversary and earlier than the seventh anniversary of the Business Acquisition;

(ii) a sale of all or substantially all of the revenue or net assets of the business of the Principal Subsidiary in combination with the distribution of the net proceeds of that sale to the Company and then to its Shareholders;

(iii) a sale of all of the issued ordinary shares of the Principal Subsidiary or a merger of the Principal Subsidiary in combination with the distribution of the net proceeds of that sale or merger to the Shareholders;

(iv) whether by corporate action or otherwise, the Company effects an in-specie distribution of all or substantially all of the assets of the Group to the Shareholders;

(v) aggregate cash dividends and cash capital returns to the Company's Shareholders are greater than or equal to aggregate subscription proceeds received by the Company; and

(vi) a winding-up of the Principal Subsidiary; or

(vii) a sale, merger or change of control of the Company.

Notwithstanding the above, if any of the vesting conditions described at (ii) to (vii) above is satisfied before the third anniversary of the Business Acquisition, the Incentive Shares will be treated as having vested in full.

Compulsory redemption

If the Preferred Return is not satisfied on the seventh anniversary of the date of the Business Acquisition, the Incentive Shares must be sold to the Company or, at its election, redeemed by the Principal Subsidiary, in both cases at a price per Incentive Share equal to 1 penny, unless and to the extent that the Company's Nomination and Remuneration Committee determines otherwise.

Leaver, lock-in and clawback provisions

In addition to the vesting conditions above, it is expected that a lock-in period, leaver provisions, and malus and clawback provisions, in relation to the Incentive Shares may be set out in acquisition agreements which management participants in the LTIP will be asked to enter into to acquire their shares.

Waheed Alli has agreed that his Incentive Shares will vest on a straight line basis over 3 years from the date of the Business Acquisition, save on an exit event when the Incentive Shares will vest in full (subject to the wider vesting conditions that apply to all of the Incentive Shares). If Waheed Alli is deemed a good leaver, he will keep his vested Incentive Shares, but otherwise (including if there has been no Business Acquisition) he will lose all of his Incentive Shares upon his departure from the Group.

Either the Ordinary Shares received upon exercise of the Incentive Shares and/or the remaining Incentive Shares held by Waheed Alli may be clawed back if Waheed Alli commits: (i) gross misconduct; (ii) fraud (iii) a criminal act, or (iv) a material breach of any post termination covenants or restrictions in his contract with the Company (if applicable), in each case as determined by the Board in its absolute discretion (acting reasonably and in good faith); or if the Company materially restates the audited consolidated accounts of the Group (excluding for any reason of change in accounting practice or accounting standards) and the remuneration committee of the Company (acting in good faith) concludes that, had such audited consolidated accounts been correct at the time of exchange of such Incentive Shares, Waheed Alli would not have received the full payment which he was owed (or the full number of Ordinary Shares he was issued). In such circumstances, it is also possible for the remuneration committee to require Waheed Alli to pay to the Company or the Principal Subsidiary an amount equal to any cash received by him in exchange for some or all of his Incentive Shares together with the net proceeds of the sale of any securities received by him (i.e. through a distribution in specie) less any tax paid or payable.

Waheed Alli has agreed that if he exchanges some or all of his Incentive Shares for an allotment of Ordinary Shares, he shall not be permitted to enter into any agreement to give effect to any transfer of the Ordinary Shares so allotted at any time during the period of 12 months and one day following the date of such allotment save in certain limited circumstances.

The Incentive Shares in which MLTI (directly) and the Founders (indirectly through their interests in MLTI) hold interests are not subject to any such vesting provisions.

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