

STRICTLY PRIVATE AND CONFIDENTIAL

The Directors
OTAQ plc
8-3-4 Harpers Mill
South Road
White Cross
Lancaster LA1 4XF

For the attention of: Phil Newby

17 April 2024

Dear Sirs,

Project Loch – Engagement Letter

1. ENGAGEMENT

1.1 We write to confirm the basis upon which Dowgate Capital Limited (“**Dowgate**” or “**we**”) is engaged to advise OTAQ plc (the “**Company**” or “**you**”) as AQSE corporate adviser, financial adviser and broker to the Company (the “**Engagement**”) on a fundraising through the issue of 10% convertible unsecured loan notes (“**CLNs**”) to raise up to £2.0 million (the “**Fundraising**”).

1.2 It is acknowledged that the Fundraising will not be underwritten by Dowgate.

2. SERVICES

2.1 In consideration for Dowgate agreeing to act in accordance with the Engagement Letter, Dowgate will, in consultation with the Company’s other advisers (as applicable) provide the following services (the “**Services**”) in connection with the Fundraising:

2.1.1 advise on the timing, structure and terms of the Fundraising;

2.1.2 as required, liaising directly with AQSE, the London Stock Exchange, the FCA or the Panel on Takeovers and Mergers;

2.1.3 co-ordinate the Fundraising with the Company’s lawyers and other external advisers (as applicable), holding regular meetings of the project team to review progress against the timetable and reporting to the Company thereon;

2.1.4 to attend board meetings of the Company and such other meetings with management of the Company, as are necessary;

2.1.5 to carry out such pre-marketing as Dowgate considers appropriate, report on such pre-marketing to the Company and advise on an appropriate price or price range (as applicable) with which to launch the Fundraising;

2.1.6 advise on the external presentation of the Fundraising and the likely reaction of the market and the Company’s shareholders to the Fundraising;

- 2.1.7 to assist the Company in the placing of those CLNs to be offered pursuant to the Fundraising and entering into a placing agreement with the Company, subject to, *inter alia*, market conditions and the terms of the placing being satisfactory to Dowgate, in connection with the distribution of the CLNs to investors. For the avoidance of doubt, the Engagement Letter does not commit Dowgate to enter into a placing agreement and Dowgate is appointed to act on a reasonable endeavours basis in connection with the Fundraising;
 - 2.1.8 arrange and advise on the presentation and marketing campaign of the Company to certain investors for the Fundraising roadshow;
 - 2.1.9 to approach the Takeover Panel to confirm with the Takeover Panel's the current composition and shareholding of the OTAQ Concert Party;
 - 2.1.10 to seek a Rule 9 Waiver with regard to Fundraising, if required and to prepare a Rule 9 Waiver circular, and supporting documentation, if required;
 - 2.1.11 to assist in the preparation and drafting of a circular to the Company's shareholders in relation to the Fundraising, as required;
 - 2.1.12 to assist in the preparation and drafting of all relevant regulatory announcements required in relation to the Fundraising;
 - 2.1.13 to review with the Board the Company's working capital requirements in relation to the Fundraising;
 - 2.1.14 to review the working capital memorandum, presentation verification notes, board minutes and other related documents prepared by the Company in relation to the Fundraising; and
 - 2.1.15 arrange for the distribution of the CLNs to be sold pursuant to the Fundraising and through Dowgate's sales team manage the process of closing and settlement of the Fundraising in accordance with the terms of a placing agreement to be entered into between the Company and Dowgate.
- 2.2 For the avoidance of doubt, the duties and responsibilities of Dowgate shall not include:
- 2.2.1 giving tax, legal, regulatory (save as referred to above), accounting or other specialist or technical advice or services; or
 - 2.2.2 giving specific financial or strategic advice, save as set out above.
- 2.3 Any valuation advice which Dowgate provides will be given on the understanding that, unless expressly agreed in writing, Dowgate does not accept responsibility for the accounting or other data and commercial assumptions on which such a valuation is based, the assessment and evaluation of which remain your responsibility.
- 2.4 The Company confirms that it has made and will continue to make its own independent investigation and assessment of the Fundraising and that it will rely on its own expertise and on that of specialist legal, accounting and tax advisers in respect of any due diligence exercise conducted in connection therewith and in assessing the conclusions.
- 2.5 The Company acknowledges and agrees that the Services to be provided by Dowgate hereunder and its advice, whether formal or informal, relating to the Engagement are solely for the benefit and use of the Company. The Company agrees that any advice, reports, recommendations or opinions, which are provided to the Company in the context of the

Engagement, shall not be disclosed, referred to or otherwise made available, in whole or in part, to third parties (including, but not limited to), the remaining shareholders of the Company who are not party to the Engagement Letter, without the prior written consent of Dowgate.

3. FEES

3.1 Dowgate's fees (plus VAT and disbursements, where applicable) to act in relation to the Fundraising will comprise:

3.1.1 a commission of [REDACTED] of the aggregate value at the issue price of all CLNs subscribed for pursuant to the Fundraising (the "Fundraising Commission"); and

3.1.2 a corporate advisory fee of [REDACTED] ("Advisory Fee").

3.2 For the avoidance of doubt, the Fundraising Commission and the Advisory Fee shall be payable by the Company immediately upon completion of the Fundraising.

3.3 All relevant costs and disbursements incurred by Dowgate in relation to the Fundraising, including the Lawyers' Fees, which are expected to be no more than [REDACTED] plus VAT as applicable.

3.4 Should the Fundraising take a form unforeseen by the terms of the Engagement Letter such that the complexity, timing and/or value of the Fundraising substantially differs from the parties' original expectations, it is hereby agreed the parties shall review in good faith the fee structure set out above.

4. APPOINTMENT

4.1 The Company irrevocably and unconditionally appoints Dowgate as its agent in connection with the Fundraising on the terms of the Engagement Letter and confers on Dowgate all powers, authorities and discretions on behalf of the Company which are necessary for or reasonably incidental to the conduct of the Fundraising on the basis set out in the Engagement Letter (including, without limitation, the power to appoint sub-agents or to delegate the exercise of its powers, authorities or discretions to such persons as Dowgate sees fit) and hereby agrees to ratify and confirm everything which Dowgate shall lawfully and properly do in the exercise of, and in accordance with, such appointment, powers, authorities and discretions.

4.2 Unless otherwise agreed by the parties in writing, the Engagement shall commence on the Effective Date and will remain in effect for the Term.

5. CLIENT CATEGORISATION

Dowgate is authorised and regulated by the FCA in respect of the carrying on of regulated activities under FSMA. On the basis of information provided by the Company, for the purposes of the Engagement, and all investment services and activities and ancillary services which it may conduct with the Company, Dowgate has categorised the Company as a Retail Client as defined in the FCA's Conduct of Business Rules. The Company may request in writing that it is re-categorised as a Professional Client, but it is not generally Dowgate's policy to accept such requests. As a Retail Client, the Company will obtain the benefit of FCA Handbook rules designed exclusively for the protection of Retail Clients, including access to the Financial Ombudsman Service. By signing the Engagement Letter, the Company agrees to this categorisation.

6. STANDARD TERMS OF BUSINESS

6.1 The Definitions as set out in Schedule 1, and the Standard Terms applicable to the Engagement as set out in Schedule 2, are incorporated by reference into this letter. This letter, the Definitions and the Standard Terms shall together be referred to as the "Engagement Letter". If there is any conflict and/or inconsistency between the terms of this letter and the Definitions and the Standard Terms, the terms of this letter shall prevail.

6.2 Dowgate is a member of London Stock Exchange and is authorised and regulated in the United Kingdom by the FCA of 12 Endeavour Square, London E20 1JN. Dowgate aims to offer the Company an efficient and effective service but if the Company should feel unhappy with any aspect of the service it receives from Dowgate, it should not hesitate to contact Simon Carter (Chief Operating Officer, Dowgate Capital Limited at 15 Fetter Lane, London EC4A 1BW).

6.3 We look forward to working with you on the Fundraising. Should you have any questions or wish to raise any matters during the Engagement, please do not hesitate to contact us. In the meantime, please confirm your acceptance of the Engagement Letter by signing the enclosed duplicate and returning it to us. To the extent that you do not sign and return the execution copy but continue to instruct us, the Company shall be deemed to have accepted the continued engagement of us on the terms of the Engagement Letter.

Yours faithfully



James Serjeant
Group Managing Director
Head of Corporate Broking & Advisory
For and on behalf of **Dowgate Capital Limited**

To: **Dowgate Capital Limited**

We confirm that the foregoing terms and conditions are agreed and accepted.

Signature

Name
Director, duly authorised
For and on behalf of **OTAQ plc**

Date

SCHEDULE 1 DEFINITIONS

The following words and expressions shall (unless the context requires otherwise) have the following meanings in the Engagement Letter:

“**Advisory Fee**” is defined in paragraph 3.1.2;

“**AQSE**” means Aquis Stock Exchange Limited which operates the AQSE Growth Market;

“**AQSE Growth Market**” means the Access segment of the AQSE Growth Market;

“**AQSE Rules**” means the ‘AQSE Growth Market Rulebook - Access’ (published by AQSE, effective April 2023);

“**Associate**” means in relation to a company, a person (including an employee, agent or subsidiary) who performs or has performed services for or on that company’s behalf;

“**Business Day**” means a day, other than a Saturday, Sunday or public holiday in England, when banks in London are open for business;

“**Code**” means the City Code on Takeovers and Mergers (as amended, modified or re-issued from time to time);

“**Communications**” is defined in paragraph 3.4 of Schedule 2;

“**Company**” or “**you**” is defined in paragraph 1.1;

“**Definitions**” means these definitions and interpretation;

“**Dowgate**” or “**we**” are defined in paragraph 1.1;

“**Effective Date**” means from the date of this Engagement Letter;

“**Engagement**” is defined in paragraph 1.1;

“**Engagement Letter**” means this letter of engagement, the Definitions and the Standard Terms;

“**FCA**” means the Financial Conduct Authority;

“**FCA Handbook**” means the handbook of rules and guidance issued from time to time by the FCA made pursuant to FSMA;

“**FSMA**” means the Financial Services and Markets Act 2000, as amended;

“**Fundraising**” is defined in paragraph 1.1;

“**Fundraising Commission**” is defined in paragraph 3.1.1;

“**Indemnified Persons**” means Dowgate together with the directors, officers, employees, representatives and agents of Dowgate and each such other member (for the avoidance of doubt, in each case whether present or future);

“**Lawyers’ Fees**” means the fees and properly and reasonably incurred expenses of the lawyers acting on behalf of Dowgate connection with the Fundraising;

“**Listing Rules**” means the listing rules of the FCA made under section 73A of FSMA;

"London Stock Exchange" means London Stock Exchange plc;

"Material Interest" is defined in paragraph 7.1 of Schedule 2;

"MAR" means the UK version of the Market Abuse Regulation (EU) No 596/2014, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018;

"MiFID" means the Markets in Financial Instruments Directive;

"Ordinary Shares" means ordinary shares of 1 penny each in the Company;

"Reimbursement" is defined in paragraph 10.1 of Schedule 2;

"Relevant Communication" is defined in paragraph 3.5 of Schedule 2;

"Relevant Limitation" is defined in paragraph 8.11 of Schedule 2;

"Services" is defined in paragraph 2;

"Standard Terms" means Dowgate's standard terms of engagement attached to this letter at Schedule 2;

"Term" means the period commencing on the Effective Date until the earlier of completion of the Fundraising or 31 May 2024; and

"VAT" means value added tax.

SCHEDULE 2
STANDARD TERMS OF ENGAGEMENT

1. ROLE OF DOWGATE

- 1.1 Dowgate will carry out the Services set out in the Engagement Letter and will not be obliged to provide any other advice or service (including but not limited to underwriting and market making) unless it expressly agrees to do so. Dowgate will not have any responsibility for any services provided to the Company by persons other than Dowgate. It will also not be responsible for providing or reviewing specialist or technical advice (such as on legal, regulatory, accounting or taxation matters) or services which the Company has agreed to or would usually procure, nor will it be responsible for conducting any due diligence, financial or other investigation except to the extent (if any) agreed in the Engagement Letter. The commercial assessment as to whether or not the Company decides to enter into any transaction or arrangement the subject of the Engagement is a decision that can only be taken by the directors and/or shareholders of the Company.
- 1.2 Dowgate's work will be performed in conjunction with such other of the Company's advisers as may be appropriate. For the avoidance of doubt, the liability of Dowgate and any other broker, financial adviser or other third party adviser arising from their respective engagements as adviser to the Company shall be several and not joint or joint and several and the Company acknowledges that each of Dowgate and any other broker, financial adviser or other third party adviser shall in no circumstances have liability or responsibility to the Company for or in connection with the performance or non-performance by any such other broker, financial adviser or other adviser of any of that other broker's, financial adviser's or other adviser's services.
- 1.3 Dowgate is entitled to assume that its instructions in relation to the Engagement have been properly authorised by the Company if they are given by a director or senior executive of the Company or by any of the persons referred to in the Engagement Letter.
- 1.4 The Company shall confer on Dowgate all powers, authorities and discretions on behalf of the Company which are necessary for or reasonably incidental to the conduct of the Engagement on the basis set out in the Engagement Letter (including, without limitation, the power to appoint sub-agents or to delegate the exercise of its powers, authorities or discretions to such persons as Dowgate sees fit) and the Company shall ratify and confirm everything which Dowgate shall lawfully and properly do in the exercise of, and in accordance with, such appointment, powers, authorities and discretions.

2. CONFIDENTIALITY

- 2.1 Subject to paragraph 2.2, Dowgate agrees to use reasonable endeavours to ensure that all confidential information obtained from the Company in connection with the Engagement is treated as being strictly confidential provided that Dowgate's obligations under this paragraph 2.1 shall cease after three years from the date set out at the front of the Engagement Letter.
- 2.2 Dowgate shall:
- 2.2.1 be free to make disclosures of confidential information or to make any announcements required by law, regulation or order of a court or regulatory body, or pursuant to governmental action, regulatory requirement or request, or necessary in the view of Dowgate to seek to establish any defence in any legal or regulatory

proceeding or investigation or otherwise to comply with its own regulatory obligations, save that Dowgate will give the Company prior written notice of such disclosure or announcement if it is not restricted from doing so and if Dowgate is required to make such disclosure, it shall only disclose such information as is necessary to conform to such obligation;

- 2.2.2 not be obliged to treat any information as confidential (i) which is in the public domain when given or which ceases to be confidential even if still non-public or which later comes into the public domain (otherwise than by breach of these terms of engagement), (ii) or which was or becomes available to Dowgate from a source not known to Dowgate to be subject to an obligation to the Company to keep such information confidential or (iii) which was independently developed by Dowgate without use of the confidential information;
 - 2.2.3 be free to make any disclosure if the Company consents to such disclosure in writing;
 - 2.2.4 be free to make any disclosure to its agents and advisers provided that such agents and advisers are made aware of the confidential nature of the information; and
 - 2.2.5 be free to make any disclosure to any of its Indemnified Persons.
- 2.3 Dowgate shall not have any duty to disclose to, or utilise for the benefit of, the Company, any non-public information acquired in the course of providing services to any other person, in engaging in any transaction (on its own account or otherwise) or in otherwise carrying on its business.
- 2.4 Advice (including any opinion or report) whether written or oral by Dowgate to the Company, or any communications between Dowgate and the Company in connection with the Engagement may only be used and relied upon by the Company and may not be relied on by any third party or disclosed to any third party without the prior written consent of Dowgate (other than the Company's advisers who may place no reliance on such advice).
- 2.5 All correspondence and other papers held by Dowgate in relation to any matters undertaken for the Company will be Dowgate's sole property, with the exception of original contracts, share certificates and other documents of title held to the Company's order and any documents for whose return the Company has stipulated on or prior to their receipt by Dowgate.
- 2.6 The Company agrees to keep the terms of the Engagement Letter confidential, save as such disclosure is required by applicable rules, law or regulation.

3. INFORMATION AND ANNOUNCEMENTS

- 3.1 The Company shall ensure that, in order to carry out the Engagement, Dowgate will have reasonable access to (i) the directors and other staff of the Company and its subsidiaries and (ii) the Company's auditors and other advisers as Dowgate may reasonably request.
- 3.2 The Company shall provide Dowgate and its advisers with, and give access to all material information in its possession relevant to the Engagement, as Dowgate may reasonably request, including without prejudice to the generality of the foregoing:
 - 3.2.1 all information which is material to an understanding of the Company's business, including the assets, liabilities, profitability and prospects of the Company and its subsidiaries; and

- 3.2.2 copies of all contracts, documents and records which Dowgate, its advisers or the Company may consider relevant to the Engagement (acting reasonably), and Dowgate shall be entitled to rely on such information without independent verification.
- 3.3 In complying with its obligations under paragraphs 3.1 and 3.2, the Company shall ensure that in doing so:
- 3.3.1 the Company is legally entitled to provide such information for the purpose for which it is used without breaching any obligation owed by the Company to a third party or otherwise infringing any legal, regulatory or equitable rights of any third party or any duties whatsoever;
- 3.3.2 such information is and remains true, fair, complete and accurate in all material respects and not misleading in any material respect whether by omission or otherwise; and
- 3.3.3 if the Company subsequently discovers that any information provided by it is or has become untrue, unfair, incomplete, inaccurate in all material respects or misleading in any material respect or that such information has been improperly obtained or that its provision or use by Dowgate would be unauthorised or in breach of any law, duty or obligation, it will promptly inform Dowgate.
- 3.4 The Company must ensure that all announcements and documents published or statements made by and/or published by it or on its behalf in the course of, and relevant to, the Engagement (“**Communications**”) will only be made or published after consultation with Dowgate and will be at all times true and accurate and not misleading in all material respects and, where appropriate, will contain all information and expressions of opinion necessary for legal or regulatory purposes and all such opinions will be honestly held and given after due and careful consideration. Communications which may have an effect on the price of or market in the shares or securities of the Company or any subsidiary of the Company may not be made without the prior consent of Dowgate, unless the Company has a regulatory obligation to publish such communication without delay.
- 3.5 The Company agrees that if Dowgate approves any Communication for the purposes of FSMA, or otherwise issues, transmits or disseminates any Communication made by or on behalf of the Company for the purposes of the Engagement (a “**Relevant Communication**”):
- 3.5.1 the Company shall be deemed to warrant and undertake that such Relevant Communication and any information provided to Dowgate in relation to Dowgate’s decision to approve or to issue, transmit or disseminate such Relevant Communication will be true and accurate in all respects and not misleading in any respect;
- 3.5.2 Dowgate shall be entitled to qualify the approval of such Relevant Communication in such manner as it considers necessary or appropriate to ensure compliance with applicable rules, law or regulation and if it does so the Company will procure that the Relevant Communication is published and distributed only in accordance with applicable rules, law or regulation and such approval; and
- 3.5.3 if at any time Dowgate becomes aware of any information which, in Dowgate’s opinion, renders the Relevant Communication untrue, incomplete or misleading in any respect or if the Relevant Communication has ceased to be compliant with

applicable rules, law or regulation or its continued communication would otherwise be in breach of any legal or regulatory requirement:

- (a) Dowgate shall have the right to refuse to issue, transmit, disseminate or approve, or arrange for the issue of, or to withdraw its approval of such Relevant Communication and to require the Company to cease to issue, transmit or disseminate or to withdraw such Relevant Communication;
- (b) at Dowgate's request, the Company shall notify any person known to be relying on the Relevant Communication of the relevant circumstances rendering the Relevant Communication untrue, inaccurate or misleading or not in compliance with applicable legal or regulatory requirements; and
- (c) Dowgate may make any announcement required to comply with applicable rules, law or regulation, or to correct any untrue, incomplete or misleading statement if the Company does not do so.

4. COMPLIANCE

The Company will at all times comply with, and will assist Dowgate in complying with, all applicable legal and regulatory provisions (including, but not limited to, those of the FCA, London Stock Exchange, MAR, the Companies Act 2006 (as amended), Part V of the Criminal Justice Act 1993 (Insider Dealing) (as amended), the Code, the AQSE Rules, the Financial Services Act 2012, the Prospectus Rules, the Listing Rules, the Prospectus Regulation Rules and the Disclosure Guidance and Transparency Rules of the FCA) insofar as they relate to the Engagement. The Company authorises Dowgate to take such steps as it considers necessary to comply with relevant law or regulations and/or to complete the Engagement, including acting through agents.

5. DATA PROTECTION

5.1 Dowgate processes personal data in order to meet its legal, statutory and contractual obligations and to provide its services under the Engagement Letter. Dowgate does so in accordance with its privacy notice (link below) and in compliance with applicable data protection laws and the General Data Protection Regulation (EU) 2016/679 of the European Parliament (as amended from time to time), which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Dowgate shall only retain the Company's personal data for as long as is necessary.

5.2 Dowgate shall ensure that: (i) appropriate technical and organisational measures are taken by it against unauthorised or unlawful processing of personal data and against accidental loss or destruction of or damage to personal data and (ii) it has adequate security programmes and procedures in place to ensure that unauthorised persons do not have access to personal data or to any equipment used to process personal data.

5.3 Any queries relating to data protection can be emailed directly to compliance@dowgate.co.uk.

5.4 To view Dowgate's privacy statement, please use the link below:
<https://dowgatecapital.co.uk/privacy-statement/>

6. USE OF EMAIL AND PROMOTIONAL MATERIALS

6.1 In providing its services under the Engagement Letter, Dowgate may communicate with all persons involved in the Engagement and their directors, officers, partners, employees,

representatives, advisers or agents, by means of electronic mail, including the internet, in addition to more traditional means of communication.

- 6.2 Subject to obtaining the Company's prior written consent (not to be unreasonably withheld or delayed), Dowgate may release, or arrange the release of, an announcement or advertisement of the Engagement and/or the services under the Engagement Letter in any media it chooses, which may include (but is not limited to) the Company's logo. If such consent is obtained, the Company will, if requested, assist Dowgate by providing Dowgate with relevant information to ensure accurate reproduction of the Company's logo. The Company also consents to the inclusion of its name in listings of Dowgate's clients.

7. MATERIAL INTERESTS

- 7.1 The Company accepts that Dowgate is involved in a wide range of banking, investment banking and other financial services businesses, both on its own account and for other clients. In the course of carrying on its business (both on its own account and for other clients), Dowgate may advise or provide services to other clients whose interest may conflict with those of the Company or may have some other interest, relationship or arrangement that is material to the Engagement ("**Material Interest**"). Dowgate will be under no obligation to the Company to account for any fees or payments due or made to it regarding any Material Interest.
- 7.2 In accordance with the FCA Handbook rules, Dowgate has established practices and procedures, including information barriers, designed to help ensure the independence of advice and manage conflicts. Dowgate is required by the FCA Handbook rules to have a policy for managing conflicts and to disclose a summary of this policy, a copy of which is set out in Schedule 3, to its clients.
- 7.3 Dowgate's conflicts of interest policy and summary thereof do not constitute or create any legal rights for the Company under the Engagement Letter against Dowgate.

8. INDEMNITY AND HOLD HARMLESS

- 8.1 For the purposes of this paragraph 8:
"**Claim**" shall mean all or any claims (whether or not successful, compromised or settled), actions, demands, proceedings or judgments; and
"**Loss**" shall mean any claim, damage, loss, cost, charge, liability or expense (including professional and legal fees, costs and expenses).
- 8.2 The Company agrees to ensure that no Claim is made by the Company or any of its Associates against any Indemnified Person to recover any Loss which the Company or any of its Associates may suffer or incur directly or indirectly as a result of Dowgate or any other Indemnified Persons' performance of its services under the Engagement.
- 8.3 Paragraph 8.2 shall not apply to the extent that the relevant Loss arises as a result of any of the matters set out in paragraph 8.10.
- 8.4 Subject to paragraph 8.6, the Company agrees with Dowgate that the Company shall indemnify each and every Indemnified Person from and against all or any Claims or Losses arising out of or in connection with, in each case directly or indirectly, the Engagement or any matter or activity referred to in or contemplated by the Engagement Letter or which arise out of, or would not have arisen but for, in each case directly or indirectly, any breach by the Company of any of its obligations, duties or any representation or warranty it may be deemed to have given

under the terms of the Engagement Letter, which any Indemnified Person may suffer or incur in any jurisdiction and all Losses incurred by any Indemnified Person shall be reimbursed by the Company on demand, including all those incurred in connection with investigating, preparing, disputing, or defending or providing evidence in connection with any pending or threatened litigation or claim within the terms of this indemnity or any matter incidental to this indemnity.

- 8.5 The Company will not be responsible for Losses which (i) result from, directly or indirectly, a material breach by an Indemnified Person of a duty or obligation under FSMA or under the regulatory system (as defined in the FCA Handbook rules) or (ii) have been finally determined by a judgment of a court of competent jurisdiction or binding arbitration to have resulted primarily from the fraud, wilful default or gross negligence on the part of an Indemnified Person.
- 8.6 The benefit of the indemnity in this paragraph 8 is in addition and without prejudice to any rights which the Indemnified Persons may have at common law or otherwise including, but not limited to, any right of contribution.
- 8.7 If any amount becomes payable under the indemnity in this paragraph 8, the Company will pay such additional amount (if any) as is required to ensure that the net amount received by the relevant Indemnified Persons, after all deductions and withholdings required to be made from such aggregate payment and all taxation suffered in respect of its receipt, will equal the full amount which would have been received had no such deduction or withholding been made and had no such taxation been suffered.
- 8.8 The Company will immediately notify Dowgate as soon as reasonably practicable if it becomes aware of any Claim and/or of any Claim which may give rise to a liability under this paragraph 8. Dowgate shall be entitled to defend, compromise, settle, or otherwise deal with any Claims to which the indemnity in this paragraph 8 applies as it may see fit after having regard to the reasonable representations of the Company.
- 8.9 Where Dowgate or any other Indemnified Person is or would be indemnified by the Company under paragraph 8.4, the Company shall not, without Dowgate's prior written consent, settle, admit liability for, or compromise any actual, pending or threatened Claim against or in respect of the Company, whether or not any Indemnified Person is also an actual or potential party to such Claim.
- 8.10 The Company agrees that no Indemnified Person shall have any liability whatsoever to the Company for or in connection with things done or omitted to be done pursuant to the Engagement provided that nothing in the Engagement Letter shall be taken to exclude any liability in respect of:
- 8.10.1 a breach of duty or obligation under FSMA or under the regulatory system (as defined in the FCA Handbook rules);
 - 8.10.2 a breach by an Indemnified Person of the Engagement Letter that cannot otherwise be excluded by agreement with the Company;
 - 8.10.3 fraud; or
 - 8.10.4 Losses incurred by the Company which are finally determined by a judgment of a court of competent jurisdiction or binding arbitration to have resulted primarily from the fraud, wilful default or gross negligence on the part of an Indemnified Person.

- 8.11 If the Company enters into any agreement with any third party adviser in connection with the Engagement, the terms of which include any limitation on the extent to which the Company may claim against such third party in connection with the Engagement (a “**Relevant Limitation**”):
- 8.11.1 the Company agrees that the liability that Dowgate may have to the Company for any Losses suffered by the Company arising out of or in connection with the Engagement will be limited so as not to extend to or include any liability for Losses suffered by the Company which Dowgate would not be subject to but for a Relevant Limitation;
- 8.11.2 if any Relevant Limitation has the effect of reducing or extinguishing Dowgate’s ability to recover under rights of contribution or subrogation against that party in respect of a claim brought by the Company against Dowgate, Dowgate’s liability to the Company shall be correspondingly reduced or extinguished and the Company shall pay to Dowgate on demand an amount equal to any Losses incurred by Dowgate which would not have arisen in the absence of such exclusion or limitation; and
- 8.11.3 the degree to which Dowgate may rely on the work of such a third party will be unaffected by any Relevant Limitation.

9. TRANSACTIONS IN INVESTMENTS

- 9.1 Any transactions in investments undertaken by Dowgate for or on behalf of the Company will be undertaken subject to the FCA Handbook rules and the rules and customs of the exchange or market and/or any clearing house on or through which such transactions are undertaken, settled or executed.
- 9.2 The Company will consult Dowgate before any dealings take place in its securities or those of any company in relation to which Dowgate is advising the Company, by the Company or any of its persons discharging managerial responsibilities and connected persons (as such terms are defined within Section 96B of FSMA).
- 9.3 Dowgate would prefer to receive instructions to transact any such dealings (on an execution only basis) but there is no obligation for such persons to deal through Dowgate.

10. FEES, COSTS AND EXPENSES

- 10.1 In consideration of the Services provided by Dowgate to the Company under the Engagement Letter and irrespective of the outcome of the Engagement, the Company shall pay to Dowgate on demand all reasonable costs and expenses Dowgate incurs in connection with the Engagement including, without limitation, all roadshow costs and expenses, costs of undertaking background checks on directors, accommodation, legal fees and other incidental costs and other incidental costs and expenses of the Fundraising) (“**Reimbursement**”). Dowgate agrees to obtain the prior written consent of the Company (not to be unreasonably withheld or delayed) for any item of Reimbursement which exceeds [REDACTED]. In the event that the Fundraising does not complete, all outstanding Reimbursements shall become due and payable on the day on which the Fundraising is abandoned.
- 10.2 The Company will pay the Lawyers' Fees, which will be payable by the Company on completion of the Fundraising. The parties acknowledge that such Lawyers’ Fees may increase if the scope of work of our lawyers and time incurred by them is extended beyond expectations at this stage or we require additional legal advice, but Dowgate shall obtain the Company’s prior consent (not to be unreasonably withheld or delayed) to any such increase. For the avoidance

of doubt, the selection of the lawyers is at Dowgate's sole discretion and the Company will pay the Lawyers' Fees regardless of whether the Fundraising completes.

- 10.3 In the event that the Fundraising does not complete, the outstanding balance of the Lawyers' Fees will be paid by the Company to Dowgate within 30 days of termination of this Engagement. The Company undertakes, if required by Dowgate, to execute any engagement letter between Dowgate and the lawyers acting on behalf of Dowgate in connection with the Fundraising confirming the Company's liability for the Lawyers' Fees.
- 10.4 Dowgate shall be entitled to charge additional fees for any services provided as a result of any regulatory breach by the Company.
- 10.5 All fees, Reimbursements and other sums payable to Dowgate are payable in Pounds Sterling plus value added tax or other applicable or similar taxes. If the Company is obliged to make any deduction or withholding on account of any tax of any nature, the amount payable shall be grossed up to the extent necessary to ensure that, after such deduction or withholding, the amount otherwise payable remains unchanged.
- 10.6 Fees and Reimbursements should be paid direct into the Dowgate bank account in accordance with the payment instructions set out on the relevant invoice and within 10 Business Days of receipt of the invoice by the Company.

11. TERMINATION

- 11.1 Subject to paragraph 11.2, either party may terminate the Engagement and the Engagement Letter with or without cause on 14 days' written notice at any time and without continuing obligation.
- 11.2 Notwithstanding paragraph 11.1, any termination of the Engagement and the Engagement Letter will not affect any rights or liabilities which have accrued to or been incurred by the Company or Dowgate or any of the Indemnified Persons and the provisions of this paragraph 11 (*Termination*) and paragraphs 2 (*Confidentiality*), 8 (*Indemnity and hold harmless*), and 12.19 (*Governing law and jurisdiction*) shall survive termination of the Engagement.
- 11.3 Where the Company terminates the Engagement without cause or Dowgate terminates the Engagement with cause, Dowgate shall immediately become entitled to receive from the Company all fees contemplated by paragraph 3 of the Engagement Letter if the Company (or any successor company, affiliate of the Company or member of its group) completes all or part of the Fundraising or any transaction having a broadly similar effect of the Fundraising within six months of the date of termination.
- 11.4 Where the Company has indicated to Dowgate that it no longer wishes to pursue the Engagement or it is reasonable in the circumstances to conclude that the Company no longer wishes to do so, the Company shall be deemed to have given written notice terminating the Engagement with immediate effect.
- 11.5 If the Engagement is terminated, the Company will pay Dowgate any outstanding work fee (payable pro rata to the date of termination) and any other costs and expenses incurred by Dowgate (and due under the terms of the Engagement) up to the date of termination.

11.6 For the purpose of this paragraph 11, “cause” means, in respect of the Company or Dowgate, the termination of the Engagement as a result of either of the following events:

11.6.1 the other party being in material breach of its obligations under the Engagement or of any other obligation in respect of, or under, the Listing Rules, the AQSE Rules, the Code or the FCA Handbook rules; or

11.6.2 the fraud, wilful default or gross negligence of the other party.

12. MISCELLANEOUS

12.1 *Money laundering:* Dowgate has statutory obligations under the UK money laundering legislation and regulations and in fulfilment of these obligations will make such enquiries and obtain such references as it considers necessary and make such further enquiries and obtain such further references as from time to time it considers necessary for continuing compliance with its statutory obligations under such legislation. The Company agrees to co-operate with Dowgate with regard to Dowgate’s compliance with these (and any other) statutory and regulatory obligations.

12.2 *Client money:* If any money held on the Company’s behalf qualifies as client money for the purposes of the FCA’s client money rules, Dowgate will deal with the Company’s money in accordance with those rules and hold it in a segregated bank account with other client money. Dowgate will not be liable to the Company for any losses that the Company may suffer as a result of any act or omission of the bank with which Dowgate opens such a bank account. The Company’s money will be held on trust and will not be available to the bank’s creditors in the case of its insolvency. The Company agrees that Dowgate will not pay the Company any interest on any client money held by Dowgate.

12.3 *Third party rights:* Except as stated in paragraph 8 (*Indemnity and hold harmless*) above, no person who is not a party to the Engagement Letter shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Engagement Letter.

12.4 *Electronic communications:* During the term of the Engagement Letter, the parties may communicate electronically with each other. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information or communication could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Both parties agree to use commercially reasonable procedures to check for the then most commonly known viruses before sending information electronically, but both parties recognise that such procedures cannot be a guarantee that transmissions will be virus free. Accordingly, each party shall be responsible for protecting its own interests in relation to electronic communications and for ensuring that electronic communications are not misaddressed.

12.5 *Recording of telephone conversations:* Dowgate may use voice recording procedures when, inter alia, receiving instructions or orders or when giving advice. Such recordings will be the sole property of Dowgate and will be kept confidential other than to assist in the resolution of any relevant dispute, or as required by law or other regulatory authority, in either case, where reasonable, Dowgate will endeavour to give prior written notice of such disclosure to the Company.

12.6 *Compensation scheme:* The Company acknowledges that the services provided by Dowgate hereunder are not covered by a compensation scheme.

- 12.7 *Regulation by the FCA:* Dowgate is authorised and regulated in the United Kingdom by the FCA, the address of which is 12 Endeavour Square, London, E20 1JN.
- 12.8 *Entire agreement:* The Engagement Letter sets out the entire agreement and understanding between the Company and Dowgate in connection with the appointment of Dowgate in relation to the Engagement Letter.
- 12.9 *Variations:* No variation of the Engagement Letter shall be valid unless it is in writing and signed by or on behalf of each of the parties hereto.
- 12.10 *Assignment:* The Company agrees that it shall not transfer, charge or otherwise seek to deal in any of its rights or obligations under the Engagement Letter without the prior written consent of Dowgate.
- 12.11 *Severability:* If any provision of the Engagement Letter is found to be invalid or unenforceable, that provision shall be enforced to the maximum extent permissible and the other provisions of the Engagement Letter shall remain in full force as if the offending clause, or paragraph or parts thereof is deleted.
- 12.12 *Force majeure:* In the event of any failure, interruption or delay in performance of Dowgate's obligations resulting from acts, events or circumstances not reasonably in Dowgate's control including, but not limited to, industrial disputes, acts or regulations of any governmental or supranational bodies or authorities, breakdown, failure or malfunction of any telecommunications or computer services, Dowgate shall not be liable or have any responsibility of any kind for any loss or damage incurred or suffered by the Company as a result.
- 12.13 *City directories:* Unless advised to the contrary, Dowgate may nominate the Company for inclusion as a client of Dowgate in reputable directories of financial advisory and stockbroking relationships and, if requested so to do, the Company agrees to consent to its inclusion therein.
- 12.14 *Rights under the Engagement Letter:* The failure or delay by either party in exercising any right under the Engagement Letter shall not operate as a waiver of such right. The single or partial exercise of any right under the Engagement Letter by either party shall not prevent any other or further exercise of such right or the exercise of any other right. No breach of any provision of the Engagement letter by either party shall be waived except with the written consent of the other.
- 12.15 *Execution of the Engagement Letter:* This Engagement Letter (a) may be signed (either by wet-ink signature or by a party applying its signature by some digital, electronic, mechanical or other means) in any number of counterparts, each of which shall constitute an original and all the counterparts shall together constitute one and the same agreement (b) shall be deemed to be entered into once signed by the Company and Dowgate and executed copies (either by wet-ink signature or by a party applying its signature by some digital, electronic, mechanical or other means) are exchanged by the Company to Dowgate and by Dowgate to the Company.
- 12.16 *Continuing application:* Notwithstanding the termination or expiry of the Engagement, if Dowgate subsequently provide any financial advice or corporate broking services to the Company in respect of any matter not covered by the Engagement and in respect of which

Dowgate have not agreed with the Company in a separate letter of engagement, such advice will be deemed to have been given on the basis of the standard terms and conditions contained in Schedule 2, save that the amount of any fee payable by you in respect thereof shall be such as is agreed between Dowgate and the Company to be an appropriate level of remuneration having regard to the amount of work carried out by Dowgate in relation thereto. In this regard, the provision of any such advice shall be deemed to be the "Engagement" for the purposes of the Engagement Letter.

12.17 Notices

12.17.1 Form of notice

Any notice, consent, request, demand, approval or other communication to be given or made under or in connection with this Agreement (each, a "Notice" for the purposes of this paragraph 12.17) shall be in English, legible and in writing.

12.17.2 Method of service

A Notice must be served by one of the following methods:

- (a) by hand to the relevant address set out in paragraph 12.17.3. It shall be deemed to have been served upon delivery if delivered during a Business Day, or at the start of the next Business Day if delivered at any other time; or
- (b) by prepaid first-class post to the relevant address set out in paragraph 12.17.3 and shall be deemed to have been served at the start of the second Business Day after the date of posting; or
- (c) by email to the relevant email address set out in paragraph 12.17.3(a) and paragraph 12.17.3(b) and it shall be deemed served on despatch, if sent during a Business Day, or at the start of the next Business Day, if sent at any other time, provided that in each case the relevant party does not receive an automatic notification indicating that the transmission has failed and that a copy of the Notice is also despatched to the recipient using one of the methods described in paragraph 12.17.3(a) and paragraph 12.17.3(b) no later than the end of the next Business Day.

12.17.3 Details of each party for service of notice are as follows:

(a) In the case of the Company to:

Name: OTAQ plc
Address: Adam Reynolds
Attention: 8-3-4 Harpers Mill, South Road, White Cross, Lancaster, LA1 4XF
Email: [REDACTED]

(b) In the case of Dowgate to:

Name: Dowgate Capital Limited
Address: 15 Fetter Lane, London EC4A 1BW
Attention: James Serjeant
Email: [REDACTED]

12.17.4 Change of details

A party may change its postal address or email address for service so long as, in the case of a new postal address, the new address is within the United Kingdom, and, in each case, it gives the other parties at least 7 days' prior notice. Until the end of those 7 days, service on the old or new postal address or email address will be effective.

- 12.18 *Time is of the essence:* Time is of the essence in relation to the Engagement Letter with regard to (a) all payments to be made by the Company to Dowgate and (b) all notices to be served by any party to the Engagement Letter.
- 12.19 *Governing law and jurisdiction:* The Engagement Letter and all rights and obligations of Dowgate and the Company (including any non-contractual obligations) arising under or in connection with or related to the Engagement Letter shall be governed by and construed in accordance with the laws of England and the parties hereto submit to the exclusive jurisdiction of the courts of England and Wales.

SCHEDULE 3 CONFLICTS OF INTEREST

This document summarises a policy which Dowgate has put in place under MiFID to meet our obligations to maintain and operate effective organisational and administrative arrangements with a view to taking reasonable steps to identify, monitor and manage conflicts of interest. This document provides key information designed to enable you to understand the measures Dowgate is taking to safeguard your interests.

Conflicts management: systems and controls

Dowgate will face actual and potential conflicts of interest. Dowgate is committed to treating its customers fairly and Dowgate will never knowingly put itself into a position where its own interests, or its responsibilities to another client, prevent them from undertaking their duties to their clients.

Definition of a conflict of interest

A conflict of interest, under MiFID, is where a company such as Dowgate carries out activities, either for a client or for their own account, that may conflict, or appear to conflict, with the interests of another client if those activities aren't appropriately organised or controlled.

Potential conflicts of interest

The following is a list of examples of conflicts of interest that may occur within Dowgate and is not intended to be an exhaustive list:

- Dowgate may act for different clients with competing interests;
- Providing investment research in relation to an entity or group to which it is also financial adviser, nominated adviser, sponsor or broker;
- Dealing as principal for our own account by selling the investment to clients or buying it from clients;
- Personal account dealing: Employees trading in corporations on which they are advising or have inside information (as such term is defined in MAR);
- Being involved as an underwriter or in some other capacity in a takeover, a new issue or another transaction involving the investment or a related investment that you are buying or selling;
- Use of confidential/non-public information: Using restricted information to benefit Dowgate or clients of Dowgate;
- Acting in multiple roles: Dowgate's activities in different areas could cause a possible conflict, for example Dowgate may act as corporate broker to a company and also trade its securities with its investor clients.

Corporate access

Where Dowgate provides corporate access services as part of its engagement terms with a corporate client, Dowgate may also receive payment from certain buy-side institutions with respect to corporate access services where such buy-side firms insist on paying (although it is not Dowgate's policy to demand payment for such services from buy-side firms). For the avoidance of doubt, Dowgate shall be under no obligation to account to the client with respect to such payments, nor will Dowgate be under any obligation to notify the client of these payments unless Dowgate considers the cumulative amount of such payments to be of a material nature, such that they would create a conflict of interest with the client.

Policies and procedures

Dowgate has internal policies and procedures specifically established to manage potential conflicts of interest which are subjected to ongoing monitoring and review processes. These include, but are not limited to, the following:

- *Information barriers*: Whereby exchange of information is controlled between Dowgate employees and/or parts of the business where the interests of one client may conflict with the interests of another client or Dowgate's own interests. Dowgate's information barrier wall procedures are designed to manage confidential or price sensitive information and to prevent inappropriate transmission;
- A Personal Account Dealing Policy that requires prior approval of all trades in designated instruments that could be conceivably perceived to be in conflict with Dowgate's clients;
- Research policies that ensure full FCA compliance and that clients are not disadvantaged in any way; and
- Separate supervision and segregation of employees, where appropriate to ensure that interests of Dowgate and their clients and between Dowgate's clients are not in conflict.

Disclosure

Where there is no, or insufficient, means of resolving an identified conflict, the conflict will be disclosed to the client to enable the client to make an informed decision as to whether they wish to continue the business relationship with Dowgate for this activity.

Declining to act

Where Dowgate considers it is not able to manage the conflict of interest in any other way Dowgate may decline to act for the client.

Further information

Further information on these conflict management procedures is available from Dowgate's Compliance department.