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**Weil**

**31 MARCH 2023**

**SUBSCRIPTION AGREEMENT**

**between**

**PROVIDENCE EQUITY PARTNERS IX, L.P.**

**PROVIDENCE EQUITY PARTNERS IX-A S.C.SP**

**SEARCHLIGHT CAPITAL III, L.P.**

**and**

**SEARCHLIGHT CAPITAL III PV, L.P.**

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**THIS AGREEMENT** is made on 31 March 2023 between:

(1) **PROVIDENCE EQUITY PARTNERS IX L.P.**, an exempted limited partnership registered under the laws of the Cayman Islands with registered office at Maples Corporate Services Limited, P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands and registered with the Registrar of Exempted Limited Partnerships in the Cayman Islands under number 116458, acting through its general partner Providence Equity GP IX L.P., an exempted limited partnership registered under the laws of the Cayman Islands and registered with the Registrar of Exempted Limited Partnerships in the Cayman Islands under number 115795, acting in turn through its general partner PEP IX International Ltd., an exempted company incorporated under the laws of the Cayman Islands and registered with the Registrar of Companies of the Cayman Islands under number 384421;

(2) **PROVIDENCE EQUITY PARTNERS IX-A S.C.SP**, a special limited partnership (*société en commandite spéciale*), organized under the laws of Luxembourg, acting through its general partner Providence Equity GP IX (Lux) S.à r.l., a private limited liability company (*société à responsabilité limitée*), organized under the laws of Luxembourg,

(Providence Equity Partners IX L.P. and Providence Equity Partners IX-A S.C.Sp together being the “**Providence Investors**”);

(3) **SEARCHLIGHT CAPITAL III, L.P.**, an exempted limited partnership registered under the laws of the Cayman Islands with registered office at C/O Searchlight Capital Partners, L.P. 745 Fifth Ave., 27th Floor New York NY 10151 and registered with the Registrar of Exempted Limited Partnerships in the Cayman Islands under number OG-100254, acting through its general partner Searchlight Capital Partners III GP, L.P., an exempted limited partnership registered under the laws of the Cayman Islands and registered with the Registrar of Exempted Limited Partnerships in the Cayman Islands under number OG-100241; and

(4) **SEARCHLIGHT CAPITAL III PV, L.P.**, an exempted limited partnership registered under the laws of the Cayman Islands with registered office at C/O Searchlight Capital Partners, L.P. 745 Fifth Ave., 27th Floor New York NY 10151 and registered with the Registrar of Exempted Limited Partnerships in the Cayman Islands under number OG-100255, acting through its general partner Searchlight Capital Partners III GP, L.P., an exempted limited partnership registered under the laws of the Cayman Islands and registered with the Registrar of Exempted Limited Partnerships in the Cayman Islands under number OG-100241,

(Searchlight Capital III, L.P. and Searchlight Capital III PV, L.P. together being the “**Searchlight Investors**”, and the Searchlight Investors together with the Providence Investors together being the “**Investors**”).

**WHEREAS:**

- (A) The Rule 2.7 Announcement was published jointly by Bidco and the Target on 15 March 2023.
- (B) As described in the Rule 2.7 Announcement, Bidco, which is indirectly wholly-owned by the Providence Investors as at the date of this Agreement, intends to acquire the entire issued and to be issued share capital of the Target by way of either a Scheme or a Takeover Offer.
- (C) The Providence Investors are now seeking to syndicate part of their investment in Bidco to the Searchlight Investors following the Effective Date. Accordingly, subject to satisfaction of the conditions set out in this Agreement, the Searchlight Investors will subscribe for securities in Topco.

**IT IS AGREED** as follows:

## **1 INTERPRETATION**

### **1.1** In this Agreement:

“**Acting in Concert**” has the meaning given in the Code (including the presumptions of concertedness);

“**Affiliate**” with respect to a person (the “**First Person**”) means:

- (a) another person that, directly or indirectly through one or more intermediaries, Controls, or is Controlled by, or is under common Control with, the First Person;
- (b) a pooled investment vehicle organised by the First Person (or an Affiliate thereof) the investments of which are directed by the First Person (or an Affiliate thereof); or
- (c) a Fund organised by the First Person for the benefit of the First Person’s (or its Affiliates’) partners, officers or employees or their dependants;

“**Bidco**” means Heron UK Bidco Limited, a private company incorporated in England and Wales with registered number 14715546 and its registered address at 72 Welbeck Street, London, United Kingdom, W1G 0AY;

“**Bidco Group**” means Topco and each other undertaking (including Bidco) that was or is formed for the purpose of the Offer and which is, or will become, a direct or indirect subsidiary of Topco (Topco and each other such undertaking being a “**Bidco Group Company**”) but excluding members of the Target Group;

“**Business Day**” means a day (other than Saturdays and Sundays) on which banks in London, United Kingdom are open for business;

“**Code**” means the City Code on Takeovers and Mergers;

“**Completion**” means completion of the transactions set forth in Clause 4.1 (or, as applicable, Clause 4.3);

“**Completion Date**” means the Business Day immediately following whichever is the later of (i) the date falling 14 days after the Effective Date; and (ii) the date which is five Business Days after the date on which the EC Clearance Condition is satisfied;

“**Concert Parties**” means, in respect of an Investor (the “**First Investor**”), any person with whom the First Investor is Acting in Concert except that it does not include (i) any person whom the Panel does not, from time to time, consider to be acting in concert with the First Investor (pursuant to Note 6 on the definition of “acting in concert” in the Code or otherwise); and (ii) the other Investors and those of their concert parties who would not, absent the arrangements contemplated by this Agreement, be Acting in Concert with the First Investor;

“**Confidential Information**” has the meaning given in Clause 10.1;

“**Control**” with respect to a person (other than an individual) means:

- (a) ownership of more than 50% of the voting securities of such person;
- (b) the right to appoint, or cause the appointment of, more than 50% of the members of the board of directors (or similar governing body) of such person; or

- (c) the right to manage, or direct the management of, on a discretionary basis the business, affairs and/or assets of such person,

and for avoidance of doubt, a general partner is deemed to Control a limited partnership (and the terms “**Controlling**” and “**Controlled**” shall be construed accordingly);

“**EC Clearance Condition**” means the European Commission issuing a decision pursuant to Article 6(1)(b) of Council Regulation (EC) 139/2004 declaring that the transactions contemplated by Clause 4.1 are compatible with the common market and that the European Commission will not initiate proceedings pursuant to Article 6(1)(c) of Council Regulation (EC) 139/2004 (including, if the European Commission makes a referral of some or all of its review under Article 9(1) of Council Regulation (EC) 139/2004 to the national competition authority of any Member State, that national competition authority having issued a decision of equivalent effect);

“**Effective Time**” means:

- (a) if the Offer is implemented by way of a Scheme, the time at which the Scheme becomes effective; or
- (b) if the Offer is implemented by way of a Takeover Offer, the time at which the Offer becomes or is declared unconditional,

or such other time as is agreed in writing between the Investors, and the “**Effective Date**” is the date on which the Effective Time falls;

“**External Debt**” has the meaning given in Clause 4.2(d);

“**Financial Advisers**” means Deutsche Bank AG, London Branch and Perella Weinberg UK Limited, financial advisers to Bidco;

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

“**Fund**” means any unit trust, investment trust, investment company, limited partnership, general partnership, collective investment scheme, pensions fund, insurance company, authorised person under FSMA or any body corporate or other entity, in each case that is managed professionally for investment purposes or the assets of which are managed professionally for investment purposes;

“**Interest in the Target’s shares**” shall be interpreted in accordance with the definition of “interests in securities” in the Code;

“**Interim Funding Date**” means the date that is 15 Business Days before the Settlement Date;

“**Interim Funding Dollar Amount**” has the meaning given in Clause 3.3(a);

“**Interim Funding Sterling Amount**” has the meaning given in Clause 3.3;

“**Long Stop Date**” means the date falling four months after the Effective Date;

“**New Articles**” has the meaning given in Clause 4.2;

“**Offer**” means Bidco’s offer (within the meaning of the Code) for the Target, the terms of which are set out in the Rule 2.7 Announcement (and includes any revised offer by Bidco for the Target made in accordance with this Agreement);

“**Panel**” means the Panel on Takeovers and Mergers;

**“Providence Advisers”** means Weil, Gotshal & Manges (London) LLP, Allen & Overy LLP, Perella Weinberg UK Limited, Deutsche Bank AG (London branch), Deloitte LLP, FTI and OC&C;

**“Providence ECL Amount”** means an amount equal to £319,648,699.07;

**“Providence Equity Commitment Letter”** means the equity commitment letter entered into on 15 March 2023 by the Providence Investors in favour of Bidco in an amount equal to the Providence ECL Amount;

**“Providence Expenses”** means the costs and expenses (including VAT to the extent applicable) paid or payable by the Providence Investors (or their Affiliates) and/or the Bidco Group Companies:

- (a) to the Providence Advisers pursuant to the relevant engagement or retainer agreements in relation to the Offer and the transactions contemplated by this Agreement;
- (b) in connection with the debt financing for the Offer (including, without limitation, pursuant to hedging arrangements and including any costs and expenses in respect of which the Investors (or their Affiliates) and/or the Bidco Group Companies must reimburse any finance party); and
- (c) to any governmental body or regulatory authority in connection with the Offer or the transactions contemplated by this Agreement (including, without limitation, to the Takeover Panel in connection with the Offer, to the European Commission in connection with the EC Clearance Condition, and to the Court in connection with the Scheme),

in each case in such amount as the Investors may agree (acting reasonably);

**“Providence Interim Loan”** has the meaning given in Clause 3.1;

**“Regulator”** means any governmental body or regulatory authority (other than the Panel) which has jurisdiction in relation to fair competition, anti-trust, merger control, foreign investment, national security or public interest in relation to the Offer;

**“Relevant Proportion”** means 60% for the Providence Investors and 40% for the Searchlight Investors;

**“Rule 2.7 Announcement”** means the press announcement in connection with the Offer, released jointly by Bidco and the Target on 15 March 2023 in compliance with Rule 2.7 of the Code;

**“Scheme”** means a scheme of arrangement of the Target under Part 26 of the Companies Act 2006;

**“Searchlight Advisers”** means Willkie Farr & Gallagher (UK) LLP, Moelis & Company UK LLP, KPMG LLP, AMR and Control Risks;

**“Searchlight Directors”** means initially James Redmayne, Nicolo Zanotto and Thomas de Canniere;

**“Searchlight Expenses”** means the costs and expenses (including VAT to the extent applicable) paid or payable by the Searchlight Investors (or their Affiliates):

- (a) to the Searchlight Advisers pursuant to the relevant engagement or retainer agreements in relation to the transactions contemplated by this Agreement; and
- (b) to any governmental body or regulatory authority in connection with the transactions contemplated by this Agreement (including, without limitation, to the European Commission in connection with the EC Clearance Condition),

in each case in such amount as the Investors may agree (acting reasonably);

“**Settlement Date**” means the latest date for settlement of the Offer consideration in accordance with the Code;

“**Shareholders’ Agreement**” has the meaning given in Clause 4.2;

“**Takeover Offer**” means a contractual takeover offer for the Target’s shares as defined in Chapter 3 of Part 28 of the Companies Act 2006;

“**Target**” means Hyve Group Plc, a public company incorporated in England and Wales with registered number 01927339 and its registered office at 2 Kingdom Street, London, England, W2 6JG;

“**Target Group**” means the Target and its subsidiary undertakings from time to time (the Target and each other such undertaking being a “**Target Group Company**”);

“**Target Shares**” means the entire issued and to be issued share capital in the Target;

“**Term Sheet**” means the term sheet setting out terms of investment by the Investors in the Bidco Group, and the legal and governance structure of the Bidco Group and the Target Group, and which is attached to this Agreement;

“**Topco**” means Heron UK Topco Limited, a private company incorporated in England and Wales with registered number 14715626 and its registered address at 72 Welbeck Street, London W1G 0AY, United Kingdom; and

“**Topco Strip Security**” means a unit comprising: (i) one ordinary share in Topco of £0.01 par value, allotted and issued for a subscription price of £1.00; and (ii) 99 cumulative redeemable preference shares in Topco of £0.01 par value each, allotted and issued for an aggregate subscription price of £99.00.

“**Unused Dollar Amount**” has the meaning given in Clause 3.5.

1.2 In this Agreement, a reference to:

- (a) “**subsidiary undertaking**” and “**parent undertaking**” are to be construed in accordance with section 1162 (and Schedule 7) of the Companies Act 2006 and, for the purposes of this definition, a “**subsidiary undertaking**” includes any person the shares or ownership interests in which are subject to security and where the legal title to the shares or ownership interests so secured are registered in the name of the secured party or its nominee pursuant to such security;
- (b) a statutory provision includes a reference to the statutory provision as modified or re-enacted or both from time to time whether before or after the date of this Agreement and any subordinate legislation made or other thing done under the statutory provision whether before or after the date of this Agreement;
- (c) a document is a reference to that document as modified or replaced from time to time;
- (d) a person includes a reference to a corporation, body corporate, association or partnership;
- (e) a person includes a reference to that person’s legal personal representatives, successors and permitted assigns;
- (f) the singular includes the plural and vice versa (unless the context otherwise requires);

- (g) a time of day is a reference to the time in London, United Kingdom, unless a contrary indication appears;
- (h) a Clause, Schedule or Appendix, unless the context otherwise requires, is a reference to a Clause of, Schedule to or document appended to this Agreement; and
- (i) the *ejusdem generis* principle of construction does not apply to this Agreement. Accordingly general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words.

1.3 The headings in this Agreement do not affect its interpretation.

1.4 Any obligation of an Investor in this Agreement to procure that any Bidco Group Company or Target Group Company takes, or refrains from taking, any action shall be an obligation to exercise (or procure the exercise of) such rights that it or any of its Affiliates has (by the holding of shares, by virtue of any contract, by instructing its appointees to the board of any Bidco Group Company or Target Group Company or otherwise) to the extent possible to procure that such action is taken or not taken (as the case may be) by the relevant Bidco Group Company or Target Group Company (as applicable).

## 2 CONDITIONS

2.1 The obligations of the parties under Clause 4 are conditional upon:

- (a) the Effective Date having occurred;
- (b) there having been no material breach by the Providence Investors (which, if capable of remedy, has not been remedied within seven days after the breach) of their obligations under Clause 5 (other than to the extent waived in writing by the Searchlight Investors); and
- (c) the satisfaction of EC Clearance Condition.

2.2 The Investors shall use their respective best endeavours to procure that the EC Clearance Condition is satisfied as soon as practicable after the date of this Agreement and in any event on or before 5.00 p.m. on the Long Stop Date.

2.3 Without derogating from the generality of Clause 2.2, the Investors shall use all reasonable endeavours to cooperate with each other in the timely preparation, submission and pursuit of all filings and notifications required in connection with the satisfaction of the EC Clearance Condition including:

- (a) ensuring that all information in the possession of the Searchlight Investors reasonably necessary or desirable for the making of any notifications and filings (including draft versions) made in respect of the EC Clearance Condition (or responding to any request for further information consequent upon such notifications and filings) is supplied reasonably promptly to the Providence Investors (by way of provision to their legal advisers), it being understood that the Providence Investors shall be primarily responsible for preparing and submitting all notifications, clearance applications and filings (including draft versions) made in respect of the EC Clearance Condition (or responding to any request for further information consequent upon such notifications and filings) unless agreed otherwise by the Providence Investors and the Searchlight Investors on an ad hoc basis in the spirit of efficient cooperation;
- (b) promptly notifying the others (or their legal advisers), and providing copies, of any communications from the European Commission relating to the EC Clearance Condition;



- (c) providing the others (or their legal advisers) with:
  - (i) draft copies of all submissions, filings, notifications and other communications to the European Commission in relation to the EC Clearance Condition at such time as will allow the other a reasonable opportunity to provide comments and any reasonable comments to be taken into account before they are submitted or sent to the European Commission; and
  - (ii) copies of all such submissions and communications in the form submitted or sent, provided however that no Investor shall be required under Clause 2.3(c)(i) above to provide the others with copies of any element of such communications or submissions which contains information of a commercially sensitive nature without first redacting that element, or providing it only to the relevant Investors' legal advisers on the basis that it will not be shown or otherwise communicated to the relevant Investors; and
- (d) where reasonably requested by another Investor and where permitted by the European Commission, allowing persons nominated by the other to attend all meetings with the European Commission and, where appropriate, to make oral submissions at such meetings provided however that no Investor shall be required to permit another Investor to attend any part of such meetings during which information of a commercially sensitive nature is likely to be disclosed.

2.4 Save for any filings, notifications or submissions to be made by or on behalf of Bidco or the Providence Investors in relation to the Offer, the Investors shall not make (and shall procure that none of their respective Affiliates shall make) any filings, notifications or submissions to a Regulator in relation to the transactions contemplated by this Agreement, other than those which are required in relation to the satisfaction of the EC Clearance Condition.

2.5 Nothing in this Clause 2 requires any Investor or any of their Affiliates to provide, to offer to provide or to accept any undertaking, commitment, obligation, remedy or assurance (financial or otherwise) in connection with the EC Clearance Condition.

2.6 If:

- (a) the Offer lapses or is withdrawn; or
- (b) the EC Clearance Condition has not been satisfied by 5.00 p.m. on the Long Stop Date,

then this Agreement shall terminate, except for the provisions of Clause 7.7 and Clauses 10 to 17 which shall survive such termination.

### 3 INTERIM FUNDING

3.1 On or before the earliest date on which the relevant Bidco Group Companies require funding for the purposes set out in Clause 3.3(a) (and in any event in time to satisfy any undertakings given at any time to the Financial Advisers), the Providence Investors shall make a loan to Topco in United States dollars in an amount equal to the Interim Funding Dollar Amount (the "**Providence Interim Loan**").

3.2 The Providence Interim Loan shall:

- (a) be unsecured;
- (b) accrue simple interest at the annual rate of 8%, calculated from day to day on an actual/actual basis; and

- (c) unless Completion has occurred, be repaid in accordance with Clause 3.5 or Clause 4.1(c) or otherwise only with the lender's prior written consent.

**3.3 The "Interim Funding Sterling Amount" means:**

- (a) an amount in sterling that the Providence Investors in their discretion (acting reasonably and in consultation with the Searchlight Investors) determine may be required:
  - (i) to pay all consideration due by Bidco to holders of Target Shares under the terms of the Offer and in respect of proposals made under Rule 15 of the Code;
  - (ii) to pay all Providence Expenses and Searchlight Expenses and other costs and expenses of the Bidco Group Companies in connection with the Offer and the other transactions contemplated by this Agreement;
  - (iii) to pay any break costs or similar costs payable by the Bidco Group in relation to any hedging arrangements entered into by members of the Bidco Group to the extent that such arrangements are terminated or are not utilised in full;
  - (iv) to provide funding to the Target Group in an amount equal to the amount required by the Target Group after the Effective Date to prepay and cancel its outstanding debt facilities as at the Effective Date (including any accrued, interest penalties, costs, fees and expenses connected with such repayment), where the Providence Investors in their discretion (acting reasonably and in consultation with the Searchlight Investors) determine that such prepayment and cancellation will be required; and
  - (v) to pay any other amount required to be paid in connection with any obligation of any Bidco Group Company in connection with the Offer; less
- (b) the aggregate of:
  - (i) any External Debt which the Providence Investors in their discretion (acting reasonably and in consultation with the Searchlight Investors) determine is fully committed as at the Interim Funding Date and will become drawable by the Bidco Group from the Effective Date; and
  - (ii) any unrestricted cash of the Target Group which the Providence Investors in their discretion (acting reasonably and in consultation with the Searchlight Investors) determine may be used after the Effective Date for the purposes of prepaying and cancelling the outstanding debt facilities of the Target Group as at the Effective Date (including any accrued, interest penalties, costs, fees and expenses connected with such repayment), where the Providence Investors in their discretion (acting reasonably and in consultation with the Searchlight Investors) determine that such prepayment and cancellation will be required.

**3.4 The "Interim Funding Dollar Amount" means:**

- (a) an amount in United States dollars which the Providence Investors in their discretion (acting reasonably and in consultation with the Searchlight Investors) determine is reasonably required to ensure that a sterling amount at least equal to the Interim Funding Sterling Amount will be available to Bidco having regard to, among other things, the prevailing exchange rates and foreign exchange markets at the time when the Providence Interim Loan is advanced to Topco, any hedging arrangements entered into by any Bidco Group Company, and the anticipated timing of the conversion of such United States dollar amount into sterling; plus

- (b) any additional amount in United States dollars which the Financial Advisers require to be paid in light of their obligations under Rules 2.7(d) and 24.8 of the Code (the “**Cash Confirmation Requirements**”).

**3.5** If not all of the Interim Funding Dollar Amount is utilised in purchasing sterling funds for any of the purposes set out in Clause 3.3(a), the Providence Investors shall procure that such unutilised United States dollar amount (the “**Unused Dollar Amount**”) is applied, prior to Completion, in partial repayment of a principal amount of the Providence Interim Loan, together with interest accrued on such repaid principal amount, such that the repaid principal amount plus the repaid interest amount is equal to the Unused Dollar Amount.

**3.6** With effect from the Completion Date, the Providence Investors and the Searchlight Investors agree that the obligations of the Providence Investors to fund Bidco pursuant to the Providence Equity Commitment Letter shall be discharged to the extent that Bidco directly or indirectly receives sterling funds from the Providence Investors pursuant to the arrangements contemplated by Clause 3 and/or any hedging arrangements entered into by any Bidco Group Company, and shall agree that Bidco shall not enforce the provisions of the Providence Equity Commitment Letter to the extent that such obligations are so discharged.

#### **4 COMPLETION**

**4.1** At or prior to 5.00 p.m. on the Completion Date, the parties shall take all necessary steps to ensure that the following transactions shall occur:

- (a) the New Articles shall be adopted (provided that, if the form of the New Articles has not been agreed between the Searchlight Investors and the Providence Investors by such time, Clause 4.3 shall apply);
- (b) subject to Clause 4.3, the Searchlight Investors shall, or shall procure that a wholly-owned subsidiary of the Searchlight Investors shall, subscribe and pay for Topco Strip Securities as follows:
  - (i) the aggregate subscription price for such securities shall be an amount in United States dollars payable in cash on the Completion Date equal to the lower of:
    - (A) 40% of the outstanding principal amount of the Providence Interim Loan (together with all accrued and unpaid interest thereon) after any repayment pursuant to Clause 3.5; and
    - (B) USD240,000,000 (or such higher amount as the Searchlight Investors may notify to the Providence Investors at least one Business Day prior to the Completion Date);
  - (ii) the number of Topco Strip Securities to be subscribed by the Searchlight Investors shall be equal to the aggregate subscription price payable pursuant to Clause 4.1(b)(i) above divided by the United States dollar equivalent of £100 (as determined by reference to the WM/Refinitiv closing spot rate at 4.00 p.m. London on such day), rounded down to the nearest whole number of Topco Strip Securities; and
  - (iii) the Providence Investors shall procure that Topco allots and issues the relevant number of Topco Strip Securities to the Searchlight Investors in such proportions as between the Searchlight Investors, or to a wholly owned subsidiary of the Searchlight Investors, as the Searchlight Investors shall notify to Topco in writing prior to the Completion Date;

- (c) the Providence Investors and the Searchlight Investors shall procure that the aggregate subscription price received by Topco pursuant to Clause 4.1(b) is applied in partial repayment of a principal amount of the Providence Interim Loan, together with interest accrued on such repaid principal amount, such that the repaid principal amount plus the repaid interest amount is equal to such aggregate subscription price;
- (d) subject to Clause 4.3, the outstanding principal amount of the Providence Interim Loan (together with all accrued and unpaid interest thereon) after any repayment pursuant to Clause 3.5 and Clause 4.1(c) shall be capitalised into such number of Topco Strip Securities (rounded down to the nearest whole number of Topco Strip Securities) as is determined by dividing the outstanding principal amount of such loan (including all accrued and unpaid interest thereon) by the United States dollar equivalent of £100 (as determined by reference to the WM/Refinitiv closing spot rate at 4.00 p.m. London on the Completion Date). Such capitalisation shall be effected by the Providence Investors and the Searchlight Investors procuring that Topco allots and issues the relevant number of Topco Strip Securities to the Providence Investors (in such proportions as the between the Providence Investors, or to a wholly owned subsidiary of the Providence Investors, as the Providence Investors shall notify to Topco in writing prior to the Completion Date) and paying to the Providence Investors (in such proportions as between the Providence Investors, or to a wholly owned subsidiary of the Providence Investors, as the Providence Investors shall notify to Topco in writing prior to the Completion Date) any balance thereof remaining after rounding down to the nearest whole Topco Strip Security;
- (e) immediately following the capitalisation of the Providence Interim Loan in accordance with Clause 4.1(d), the parties shall procure that the share in Topco held by P9 Lux Holding 1 S.à r.l. as at the date of this Agreement (or which may arise on subdivision of that share into shares of a lower nominal value) shall be converted into deferred share(s) bearing no voting or economic entitlement whatsoever;
- (f) the Searchlight Investors and the Providence Investors shall enter into the Shareholders' Agreement and shall procure that relevant Bidco Group Companies enter into the Shareholders' Agreement (provided that, if the form of the Shareholders' Agreement has not been agreed between the Searchlight Investors and the Providence Investors by such time, Clause 4.3 shall apply); and
- (g) the Searchlight Directors shall be appointed as directors of each Bidco Group Company.

4.2 The Investors shall negotiate in good faith to agree, as soon as practicable after the date of this Agreement and in any event by not later than the Completion Date:

- (a) an investment and shareholders' agreement in relation to Topco (the "**Shareholders' Agreement**"), the principal terms of which are set out in the Term Sheet;
- (b) new articles of association for Topco, which will set out (among other things) the rights and conditions attaching to the class of cumulative redeemable preference shares in the share capital of Topco and the other relevant provisions of the Term Sheet (the "**New Articles**");
- (c) such other documentation as may be necessary, proper or advisable to implement the Offer and the other transactions contemplated by this Agreement (including, without limitation, in connection with any revised cash confirmation that may be required); and
- (d) a term sheet, commitment letter and final documentation required to provide appropriate third party debt financing to implement the Offer (including to refinance the outstanding debt facilities of the Target Group as at the Effective Date) (the "**External Debt**").

**4.3** If the Investors have not agreed the form of the Shareholders' Agreement and the form of the New Articles in accordance with Clause 4.2 by 5.00 p.m. on the Completion Date:

- (a) the Term Sheet shall, as and from such time, constitute a legally binding and enforceable agreement between the Investors irrespective of any wording in the Term Sheet indicating that it is a non-binding document; and
- (b) unless the New Articles have been agreed and adopted, references in Clause 4.1(b) or 4.1(d) to Topco Strip Securities shall be deemed to be references to ordinary shares or such other securities as the Investors, acting reasonably, may agree.

## **5 PRE-COMPLETION UNDERTAKINGS**

**5.1** From the date of this Agreement until Completion and save as contemplated by this Agreement the Providence Investors shall procure that no Bidco Group Company shall:

- (a) issue any securities other than to another Bidco Group Company that is (directly or indirectly) a wholly-owned subsidiary of Topco;
- (b) dispose of any interest in the securities of any Bidco Group Company (other than the grant of any security in connection with the External Debt);
- (c) incur any borrowings (or indebtedness in the nature of borrowings) other than the External Debt or to another Bidco Group Company that is (directly or indirectly) a wholly-owned subsidiary of Topco, or grant any security other than in connection with the External Debt;
- (d) enter into any transaction with any of the Providence Investors or any of their Affiliates other than another Bidco Group Company that is (directly or indirectly) a wholly-owned subsidiary of Topco;
- (e) carry on any business or activity other than in connection with or reasonably incidental to the Offer and/or its financing and/or any related hedging arrangements;

in each case without the prior written consent of the Searchlight Investors (such consent not to be unreasonably withheld, delayed or conditioned).

**5.2** From the Effective Date until Completion and save as contemplated by this Agreement, the Providence Investors shall procure that no member of the Target Group shall, other than in the ordinary course of business and other than (i) pursuant to an obligation, contract, agreement or arrangement assumed or entered into by a member of the Target Group prior to the Effective Date; or (ii) as the Providence Investors reasonably consider necessary in order to comply with legal or regulatory requirements (or to avoid a breach of such requirements) or to avoid a default of any material agreement to which any Target Group Company is party:

- (a) issue any securities other than to another Target Group Company that is (directly or indirectly) a wholly-owned subsidiary of Topco;
- (b) dispose of any interest in the securities of any Target Group Company;
- (c) acquire any interest in any entity other than another Target Group Company or a Bidco Group Company, or acquire the business and/or assets of any such entity;
- (d) other than in connection with the External Debt, incur any borrowings (or indebtedness in the nature of borrowings) or grant any security;

- (e) enter into any transaction with any of the Providence Investors or any of their Affiliates other than with another Bidco Group Company that is (directly or indirectly) a wholly-owned subsidiary of Topco; or
- (f) materially change the nature of the business of any Target Group Company,

in each case without the prior written consent of the Searchlight Investors (such consent not to be unreasonably withheld, delayed or conditioned).

## **6 NO INTERESTS IN TARGET SECURITIES**

Each of the Investors warrants to the other Investors upon entry into of this Agreement that neither it nor, so far as it is aware (having made reasonable enquiry), any of its Concert Parties:

- (a) has any Interest in the Target's shares; or
- (b) has dealt in any Interest in the Target's shares since (and including) 21 February 2022.

## **7 STANDSTILL AND EXCLUSIVITY**

**7.1** Each of the Investors undertakes to each of the other Investors that it shall not, and shall procure that its Concert Parties will not (other than pursuant to the Offer):

- (a) acquire or offer to acquire or sell, or procure or induce another person to acquire or offer to acquire or sell, any Interest in the Target's shares;
- (b) do or omit to do any act as a result of which it or any of its Concert Parties may acquire any Interest in the Target's shares;
- (c) announce, make, or procure or induce any other person to announce or make, any firm or possible offer for all or any of the shares of the Target or do or omit to do any act as a result of which an Investor or any of its Concert Parties may become obliged (under the Code or otherwise) to make an offer for any of the shares of the Target;
- (d) offer to acquire any substantial part of the assets of the Target Group;
- (e) enter into, continue, solicit, facilitate or encourage any discussion, enquiry or proposal from, or discussions or negotiations with, any person in relation to the possible acquisition or disposal of an Interest in the Target's shares or the possible acquisition of any substantial part of the assets of the Target Group;
- (f) enter into, continue, solicit, facilitate or encourage any discussion, enquiry or proposal from, or discussions or negotiations with, any person or enter into arrangements, either in relation to providing or otherwise acquiring any debt, equity or other finance facilities to any member of the Target Group or in relation to providing any debt, equity or other finance facilities in connection with a competing offer for Target Shares; or
- (g) enter into an agreement or arrangement to do any of the matters set out in Clauses 7.1(a), to (f) above,

without the prior consent in writing of the other Investors, and, if required under the Code, the consent of the Panel.

**7.2** If any Investor (or so far as such Investor is aware, any of its Concert Parties) is approached by a person in relation to any of the matters described in Clause 7.1(a) to 7.1(f), such Investor shall promptly notify each other Investor of the identity of that person and the substance of any discussion.

- 7.3** The restrictions in Clauses 7.1(a) to 7.1(c) (inclusive) and Clause 7.1(g) (as such Clause relates to Clauses 7.1(a) to 7.1(c) (inclusive)) shall not prevent an Investor's Concert Parties (other than its Affiliates) from taking any action in the normal course of its investment or advisory business, provided that such action is not taken on the instructions or otherwise in conjunction with or on behalf of that Investor or any of its Affiliates.
- 7.4** Each of the Investors undertakes to each of the other Investors that it shall not, and shall procure that its Concert Parties and its and their directors, officers, employees, agents and advisers will not, do or omit to do anything which is intended to, or is likely to, prejudice the successful completion of the Offer.
- 7.5** Each Investor undertakes to the other Investors to work with the other Investors on an exclusive basis to further the Offer. Without limitation to the generality of the preceding sentence, each Investor will not, and will procure that none of its Concert Parties (excluding its professional advisers) will, except as part of the Offer, directly or indirectly be involved as an equity investor or as the provider of any other form of financing or otherwise perform any other substantive role or service (or enter into discussions or agree formally or informally to do the same) in respect of any acquisition of the Target or Interests in the Target's shares or any other transaction in relation to the Target having a similar effect, other than (in each case) with the prior written consent of the other Investors.
- 7.6** If Completion occurs, the Investors will procure, to the extent lawful, that Bidco (or another Bidco Group Company) bears the Providence Expenses and the Searchlight Expenses and shall reimburse the Investors for any such expenses already paid by them.
- 7.7** If Completion does not occur prior to the termination of this Agreement, each Investor shall bear its Relevant Proportion of the Providence Expenses and the Searchlight Expenses and shall bear all costs and expenses incurred by that Investor that are not Providence Expenses or Searchlight Expenses.

## **8 WARRANTIES, UNDERTAKINGS AND ACKNOWLEDGEMENTS**

- 8.1** Each Investor warrants to the other Investors that:
- (a)** it has the requisite power and authority to enter into this Agreement and there is no agreement, commitment or other understanding that:
    - (i)** would preclude or restrict such Investor from entering into and performing this Agreement or any agreement contemplated by this Agreement to be entered into by such Investor, including making or implementing of the Offer; or
    - (ii)** would require any Investor to allow any other person to elect to participate in the transactions contemplated by this Agreement;
  - (b)** this Agreement when executed will constitute valid, binding and enforceable obligations of such Investor; and
  - (c)** it has obtained the necessary internal approvals required to enter into this Agreement.
- 8.2** Each of the Searchlight Investors warrants and undertakes to the Providence Investors that, upon entry into of this Agreement and until the earlier of (i) Completion and (ii) termination of this Agreement:
- (a)** the Offer complies with the investment policies, guidelines and restrictions that are set out in all relevant contractual and constitutional documents of the Searchlight Investors;

- (b) no event has occurred nor are there any circumstances in existence at the time of this Agreement which would reasonably be expected to result in an event which would impair the Searchlight Investors' ability to comply with their obligations under Clause 4;
- (c) neither the Searchlight Investors nor their respective general partners have received any indication or notice from any limited partner in a Searchlight Investor that it does not wish to participate in the funding of the Offer pursuant to this Clause 4, nor is it aware of any fact or circumstance whatsoever which would entitle any such limited partner to refuse to provide such funds;
- (d) it is not aware of any fact or circumstance whatsoever which would indicate that any of their limited partners are reasonably likely to default in providing any such funds; and
- (e) as at the date of this Agreement, the aggregate of the committed funds available to the Searchlight Investors from their limited partners is at least equal to USD240,000,000 (the "**Searchlight Investors Minimum Amount**"), and the Searchlight Investors have not entered into and will not enter into other commitments or incurred any actual or contingent liability that would reasonably be expected to restrict or reduce the amount of their aggregate commitments available to be called or drawn down from their limited partners to less than the Searchlight Investors Minimum Amount. An amount equal to the Searchlight Investors Minimum Amount shall remain uncommitted until the date on which the Searchlight Investors have complied in full with their obligations under Clause 4.

**8.3** Each of the Providence Investors warrants and undertakes to the Searchlight Investors that, upon entry into of this Agreement and until the earlier of (i) Completion and (ii) termination of this Agreement:

- (a) Topco is and will remain a direct, wholly owned subsidiary of the Providence Investors and/or of their Affiliates;
- (b) each member of the Bidco Group (other than Topco) is and will remain a direct, wholly owned subsidiary of Topco;
- (c) the entire issued share capital of Topco is and will remain both legally and beneficially owned solely by the Providence Investors and/or of their Affiliates, free from all encumbrances and third-party rights;
- (d) no person (other than the Providence Investors and/or their Affiliates) has or will have any right (conditional or otherwise) to call for the allotment or transfer of any securities of any member of the Bidco Group;
- (e) each member of the Bidco Group has no assets (other than cash) and has not traded or incurred any obligations or commitments other than in connection with the Offer and/or its and/or any related hedging arrangements;
- (f) the Offer complies with the investment policies, guidelines and restrictions that are set out in all relevant contractual and constitutional documents of the Providence Investors;
- (g) no event has occurred nor are there any circumstances in existence at the time of this Agreement which would reasonably be expected to result in an event occurring which would impair the Providence Investors' ability to comply with its obligations under the Offer;
- (h) neither the Providence Investors nor their respective general partners have received any indication or notice from any limited partner in a Providence Investor that it does not wish to participate in the funding of the Offer pursuant to this Clause 3, nor is it aware of any



fact or circumstance whatsoever which would entitle any such limited partner to refuse to provide such funds;

- (i) it is not aware of any fact or circumstance whatsoever which would indicate that any of their limited partners are reasonably likely to default in providing any such funds; and
- (j) as at the date of this Agreement, the aggregate of the committed funds available to the Providence Investors from their limited partners is at least equal to USD360,000,000 (the “**Providence Investors Minimum Amount**”), and the Providence Investors have not entered into and will not enter into other commitments or incurred any actual or contingent liability that would reasonably be expected to restrict or reduce the amount of their aggregate commitments available to be called or drawn down from their limited partners to less than the Providence Investors Minimum Amount. An amount equal to the Providence Investors Minimum Amount shall remain uncommitted until the date on which the Providence Investors have complied in full with their obligations under the Equity Commitment Letter.

**8.4** The Providence Investors undertake to the Searchlight Investors that the Providence Investors shall not, and shall procure that Bidco does not, amend or vary the Providence Equity Commitment Letter in any manner whatsoever or waive any rights or claims of either of Bidco or the Providence Investors under the Providence Equity Commitment Letter, in each case without the Searchlight Investors’ prior written consent.

## **9 TERMINATION**

**9.1** Save for the obligations set out in Clause 7.7 and Clauses 10 to 17, which shall each survive termination of this Agreement, the provisions of this Agreement shall terminate upon the earliest of the following to occur:

- (a) the date on which the Offer lapses or is withdrawn;
- (b) any competing offer in relation to the Target becomes effective or unconditional; and
- (c) the Investors agreeing in writing to terminate this Agreement.

**9.2** Save for the obligations set out in Clause 7.7 and Clauses 10 to 17, which shall each survive termination of this Agreement, the provisions of this Agreement shall terminate immediately upon service, prior to Completion, of written notice by the Searchlight Investors to the Providence Investors if any of the following events occurs without the prior written consent of the Searchlight Investors:

- (a) the consideration for the Offer is increased above 108 pence per Target Share in cash;
- (b) any additional or alternative form of consideration to the Offer is introduced;
- (c) the terms of the Offer are varied in any material manner other than with respect to the amount or form of consideration; or
- (d) the Offer is implemented other than by means of a Scheme,

## **10 CONFIDENTIALITY**

**10.1** Subject to Clause 10.2, each Investor shall, and shall procure that each of its Affiliates shall, treat as strictly confidential all information received or obtained as a result of entering into or performing this Agreement which relates to: (i) the subject matter and provisions of this Agreement; (ii) the

negotiations relating to this Agreement; or (iii) the other Investors and their Affiliates ((i) to (iii) together being “**Confidential Information**”).

**10.2** Clause 10.1 does not apply to disclosure of Confidential Information:

- (a) to the extent that it is generally known to the public not as a result of a breach of any duty of confidentiality;
- (b) to a director, officer or employee of the Investor or its Affiliate who reasonably needs to know such information in connection with the subject matter of this Agreement;
- (c) to the extent that it is required to be disclosed by law, or any securities exchange or regulatory or governmental body to which it or its Affiliates is subject (including the Panel), in each case whether or not the requirement, request or disclosure (as applicable) is legally required provided that the disclosure shall so far as is reasonably practicable and lawful be made after consultation with the other Investors; or
- (d) to an adviser, agent or auditor provided that such disclosure is reasonably necessary in connection with their engagement and is subject to customary confidentiality obligations.

**10.3** The provisions of the Clause 10 shall continue to apply until the date falling two years after the date of this Agreement notwithstanding the prior termination of this Agreement.

## **11 ANNOUNCEMENTS AND STATEMENTS**

**11.1** Subject to Clause 11.3 below, each Searchlight Investor agrees that it shall not, and shall procure that none of its Concert Parties will, make any statement to any person in relation to the Offer that might bind Bidco or which otherwise might affect the Offer.

**11.2** Subject to Clause 11.3 below, and save as otherwise expressly permitted by this Agreement, no Searchlight Investor will, without the prior approval in writing of the Providence Investors (such approval not to be unreasonably withheld or delayed), make any public announcements concerning Bidco, any other Investor, the Offer or any other matter contemplated by, or any activities or actions under, this Agreement.

**11.3** An Investor may make an announcement or statement if required by law, or any securities exchange or governmental body or regulatory authority to which it or its Affiliates is subject (including the Panel), whether or not the requirement is legally required provided that the announcement or statement shall so far as is reasonably practicable and lawful be made after consultation with the other Investors.

## **12 ASSIGNMENT**

No party may assign or transfer its rights or obligations under this Agreement.

## **13 COUNTERPARTS**

This Agreement may be executed by the parties in any number of separate counterparts each of which shall be an original but all of which taken together shall constitute one and the same document.

## **14 THIRD PARTY RIGHTS**

A person who is not party to this Agreement has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any of its terms.

## **15 LIABILITY**

Notwithstanding anything that may be expressed or implied in this Agreement, no person other than the Investors shall have any obligation hereunder and that no recourse hereunder or under any documents or instruments delivered in connection herewith shall be had against, and no personal liability whatsoever shall attach to, be imposed on or otherwise be incurred by, any former, current or future director, officer, employee, agent, general or limited partner, manager, member, securityholder, shareholder, stockholder, affiliate, successor or assignee of the Investor or any former, current or future director, officer, employee, agent, general or limited partner, manager, member, securityholder, shareholder, stockholder, affiliate, successor or assignee of any of the foregoing including, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, for any obligations of an Investor under this letter agreement or any documents or instruments delivered in connection herewith or for any claim based on, in respect of or by reason of such obligations or their creation.

## **16 AMENDMENTS**

This Agreement may be amended only in writing signed by or on behalf of each party.

## **17 GOVERNING LAW AND JURISDICTION**

**17.1** This Agreement and all matters (including any contractual or non-contractual obligation) arising from or in connection with it are governed by, and to be construed and take effect in accordance with, English law.

**17.2** The parties submit to the exclusive jurisdiction of the English courts in relation to any dispute arising in relation to this Agreement.

**17.3** Each Providence Investor shall at all times maintain an agent for service of process and any other documents in proceedings in England and Wales or any other proceedings in connection with this letter agreement. Such agent will be Providence Equity LLP, currently of 72 Welbeck Street, London W1G 0AY, England, and any claim form, judgment or other notice of legal process will be sufficiently served on each Providence Investor if delivered to such agent at its address for the time being. Each Providence Investor waives any objection to such service. Each Providence Investor irrevocably undertakes not to revoke the authority of this agent.

**17.4** Each Searchlight Investor shall at all times maintain an agent for service of process and any other documents in proceedings in England and Wales or any other proceedings in connection with this letter agreement. Such agent will be Searchlight Capital Partners UK, LLP, currently of 15 Golden Square, London W1F 9JG, England, and any claim form, judgment or other notice of legal process will be sufficiently served on each Searchlight Investor if delivered to such agent at its address for the time being. Each Searchlight Investor waives any objection to such service. Each Searchlight Investor irrevocably undertakes not to revoke the authority of this agent.

**EXECUTED** by the parties on the date set out on page 1 above.

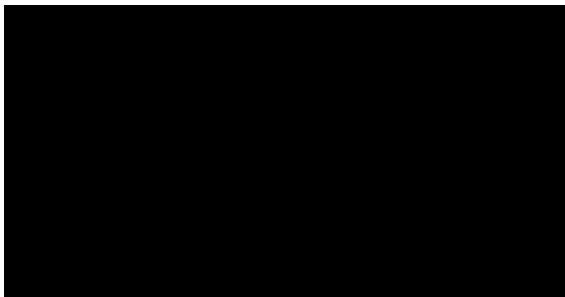
**Providence Investors**

**PROVIDENCE EQUITY PARTNERS IX L.P.**

By: Providence Equity GP IX L.P.,  
its general partner

By: PEP IX International Ltd.,  
its general partner

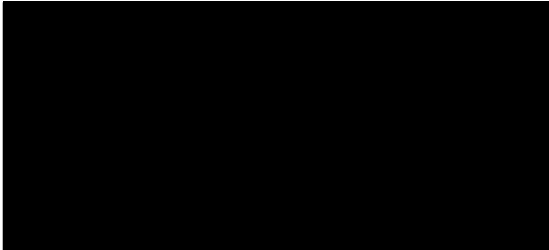
By:



**PROVIDENCE EQUITY PARTNERS IX-A S.C.SP**

By: Providence Equity GP IX (Lux) S.à r.l.,  
its general partner

By:



**Searchlight Investors**

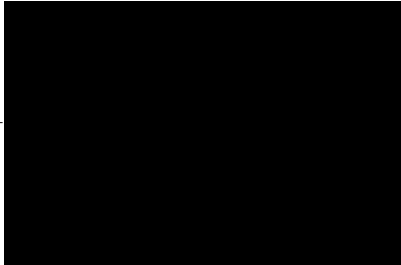
**SEARCHLIGHT CAPITAL III, L.P.**

By: \_\_\_\_\_  
Name:  
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**SEARCHLIGHT CAPITAL III PV, L.P.**

By: \_\_\_\_\_  
Name:  
Title:



## PROJECT HERON

### EQUITY TERM SHEET

Reference is made to the proposed acquisition of the entire issued share capital of Hyve Group plc (the “**Target**”) by affiliates of funds respectively managed and/or advised by Providence Equity Partners LLC (“**Providence**”) and Searchlight Capital Partners UK, LLP (“**Searchlight**”) (the “**Transaction**”). The Target will be owned indirectly by Heron UK Topco Limited (“**Topco**”) immediately following completion of the Transaction (“**Completion**”).

This term sheet sets out the key terms to be included in a shareholders’ agreement (the “**SHA**”) to be entered into between, amongst others, Providence and Searchlight relating to Topco and its subsidiary undertakings (together, the “**Group**”).

	Topic	Terms
<b>Part A: Capital Structure</b>		
1.	Ownership	<ul style="list-style-type: none"> <li>• Providence will hold securities in Topco through P9 Lux Holding 1 S.à r.l. (the “<b>Providence Investor</b>”), and Searchlight will hold securities in Topco through a newly incorporated entity controlled by Searchlight (the “<b>Searchlight Investor</b>”, and together with the Providence Investor, the “<b>Investors</b>”, and each, an “<b>Investor</b>”).</li> <li>• Immediately following Completion, the Providence Investor will hold such number and class of securities in Topco that will entitle it to 60% of the economic value (income and equity) derived from Topco, and Searchlight will hold such number and class of securities in Topco that will entitle it to 40% of the economic value (income and equity) derived from Topco.</li> <li>• For purposes of this term sheet, any reference to a percentage holdings of securities or interests in Topco shall exclude any securities or interests (including “strip” and “sweet” securities or interests (as applicable)) issued to any person other than the Investors and their respective affiliates, including, for the avoidance of doubt, any securities or interests issued pursuant to a management incentive plan and/or to any non-executive directors and the chairman of the Group.</li> </ul>
2.	Reduction in percentage	<ul style="list-style-type: none"> <li>• Notwithstanding anything contained in this term sheet to the contrary: <ul style="list-style-type: none"> <li>○ with effect from the date that an Investor (together with its affiliates) holds less than 30% but at least 20% of the securities in Topco and subject to the other Investor (together with its affiliates) holding at least 50% of the securities in Topco, the Investors’ rights shall be adjusted such that only the Investor holding (together with its affiliates) at least 50% of the securities in Topco shall be authorised to: <ul style="list-style-type: none"> <li>▪ implement a Sale or IPO prior to the seventh anniversary of Completion, after which the other Investor will also have this right; and</li> <li>▪ remove the CEO, however, in such case the Investors (acting jointly) shall appoint the new CEO;</li> </ul> </li> <li>○ with effect from the date that an Investor (together with its affiliates) holds less than 20% but at least 5% of the securities in Topco and subject to the other Investor still holding (together with its affiliates) at least 50% of the securities in Topco, the Investors’ rights shall be further adjusted such that: <ul style="list-style-type: none"> <li>▪ the Investor holding (together with its affiliates) less than 20% but at least 5% of the securities in Topco shall be entitled to appoint and remove only one director to the Board (and all other directors appointed by such Investor to the Board shall immediately resign); and</li> <li>▪ save for the reserved matters set out in Section 7 (which will still require the positive vote of the director appointed by the Investor holding (together with its affiliates) less than 20% but at least 5% of the securities in Topco), all other Board decisions will be made by simple majority of directors present provided</li> </ul> </li> </ul> </li> </ul>

	Topic	Terms
		that no Board resolution can pass unless at least one director appointed by the Investor still holding (together with its affiliates) at least 50% of the securities in Topco votes in favour.
<b>Part B: Governance</b>		
3.	Equal governance rights	<ul style="list-style-type: none"> <li>Immediately following Completion, and subject to Section 2, each Investor will hold the same governance rights over the Group as the other Investor, notwithstanding the 60:40 economic ownership split.</li> </ul>
4.	Board	<ul style="list-style-type: none"> <li>The board of directors of Topco (the “<b>Board</b>”) will be the main decision-making body of the Group, in particular with respect to key strategic decisions, with all directors entitled to equal participation in all Board discussions.</li> <li>Subject to Section 2, the Providence Investor and the Searchlight Investor shall each be entitled to appoint up to 3 directors to the Board (such persons being the “<b>Providence Directors</b>” or the “<b>Searchlight Directors</b>”, as applicable).</li> <li>The Investors may elect to appoint independent non-executive directors to the Board (upon mutual agreement or, failing which, each of them shall be entitled to appoint one independent non-executive director).</li> <li>The Board shall be chaired by a single independent chairman (jointly appointed by both Investors).</li> </ul>
5.	Committees	<ul style="list-style-type: none"> <li>The Board shall establish customary committees (including remuneration and audit committees).</li> <li>Subject to Section 2, each Investor shall be entitled to designate an equal number of directors to sit on each Board committee.</li> <li>Board quorum and voting provisions contained herein shall apply equally to such committees.</li> </ul>
6.	Board meetings	<ul style="list-style-type: none"> <li>Any director on the Board may convene a meeting of the Board.</li> <li>The Board shall meet at least four times in each calendar year, and the Investors and management shall meet at least 10 times in each calendar year to discuss the performance of the Group.</li> <li>Subject to Section 2, quorum for board/committee meetings (including rescheduled meetings) shall be two directors, provided at least one Providence Director and one Searchlight Director must be in attendance.</li> <li>Board decisions will be made by a simple majority of directors present (with no casting vote for the chairman or co-chairmen) provided that, subject to Section 2, no Board resolution can pass unless at least one Providence Director and one Searchlight Director votes in favour.</li> <li>The Investors will endeavour to ensure that consensus is reached between them on all matters relating to the Group. Where a matter put to the Board cannot be agreed, the senior managing directors of each Investor will as soon as practicable seek to resolve such deadlock through good faith discussions and negotiations.</li> </ul>
7.	Reserved matters	<ul style="list-style-type: none"> <li>Investors holding less than 20% of the securities in Topco shall have veto rights in respect of the following matters: <ul style="list-style-type: none"> <li>alterations to the articles of association of any Group member which have an adverse and/or disproportionate effect on such Investor compared to that of the other Investor;</li> <li>allotment or issuance any shares or other securities or grant to any person any option or right to call for the issue of any shares or other securities in any member of the</li> </ul> </li> </ul>



	Topic	Terms
		<p>Group (other than in accordance with the terms of the SHA or the articles of association of Topco);</p> <ul style="list-style-type: none"> <li>○ recommendation, declaration or payment of a dividend or other distribution or capital reduction (or similar with regard to any loan notes) or the distribution of any sale proceeds from any disposal which is not allocated pro rata in accordance with the waterfall in the articles of association of Topco; and</li> <li>○ implementation of any transaction and/or arrangement between any Group member (on the one hand) and an Investor and/or its affiliates (on the other hand) (other than any transaction and/or arrangement (including with portfolio companies) on arms' length terms).</li> </ul> <ul style="list-style-type: none"> <li>● Investors holding less than 20% but more than or equal to 5% of the securities in Topco shall, in addition to those set out above, have veto rights in respect of the following matters: <ul style="list-style-type: none"> <li>○ commencement of any bankruptcy, insolvency or liquidation of Topco or any Group member that is material to the Group; and</li> <li>○ implementation of a material change to the nature of the business of the Group.</li> </ul> </li> </ul>
8.	Business plan and budget	<ul style="list-style-type: none"> <li>● Initial business plan and annual budget of the Group to be adopted on Completion having been developed and agreed by Providence and Searchlight in consultation with the Group's senior management team.</li> </ul>
9.	Information rights	<ul style="list-style-type: none"> <li>● Topco will provide to the Investors: (i) customary financial reporting information (for example, annual report within 90 calendar days of each year and monthly management accounts within 20 business days of each month end); and (ii) any other customary/reasonable information relating to the business as may be reasonably required by such Investor.</li> <li>● Each Investor is entitled to pass such information to its affiliates (as defined below) (other than any competing portfolio companies) on a confidential basis to the extent that such affiliates need to know such information.</li> <li>● When used in this term sheet, "<b>affiliate</b>" means any person which directly or indirectly controls, is controlled by, or is under common control with another person where "control" means (i) the ownership, in the case of a corporation, of more than 50% of the shares of such corporation with voting rights or, in the case of any other person, the ownership of a majority of the beneficial or voting interest of such person, or (ii) the power, directly or indirectly, to direct the management of the controlled person, whether through the ownership of voting securities, by contract or otherwise; and "controlling" and "controlled" shall have corresponding meanings.</li> </ul>
<b>Part C: Share transfers</b>		
10.	New shareholders	<ul style="list-style-type: none"> <li>● Any transferee of shares will be required to adhere to the terms of the SHA (and shall in such scenario also receive the benefit of the governance terms set out in the SHA) or, if a SHA has not yet been entered into by the date on which the transferee receives the shares, this term sheet (and shall in such scenario also receive the benefit of the governance terms set out in this term sheet), including, without limitation, transferees who are Permitted Transferees of an Investor, provided that to the extent that Investors transfer their shares to an affiliate, the transferring party will remain responsible for compliance with the terms of the SHA by the relevant affiliate unless agreed otherwise.</li> </ul>
11.	Lock-up	<ul style="list-style-type: none"> <li>● Subject to Section 2, neither Investor shall make any direct and/or indirect transfer of securities in Topco (other than Permitted Transfers, as defined in Section 16 below) for three years after Completion (the "<b>Lock-up Period</b>") without the prior consent of the other Investor.</li> </ul>

	Topic	Terms
		<ul style="list-style-type: none"> <li>• Upon expiry of the Lock-up Period, the Investors: <ul style="list-style-type: none"> <li>○ may transfer their securities in Topco to any person, subject to the other Investor’s ROFO and tag rights; and</li> <li>○ shall meet to discuss liquidity and/or exit opportunities with the aim of initiating a joint exit.</li> </ul> </li> </ul>
12.	Right of first offer (“ROFO”)	<ul style="list-style-type: none"> <li>• After the Lock-up Period, the Investors will be free to transfer all or a proportion of their respective securities in Topco subject to a pro rata ROFO in favour of the other Investor and in compliance with the drag and tag-along provisions described below.</li> <li>• The Investor proposing to transfer all or a proportion of its securities in Topco (the “<b>Transferring Investor</b>”) (the “<b>ROFO Securities</b>”) must give written notice (a “<b>ROFO Notice</b>”) to the other Investor (the “<b>Other Investor</b>”) before approaching potential acquirers. The Other Investor may confirm by written notice to the Transferring Investor (a “<b>Response Notice</b>”) within 30 days after receipt of the ROFO Notice (the “<b>ROFO Deadline</b>”) that it wishes to exercise its right of first offer and purchase the ROFO Securities and, if so, the price and other material terms and conditions on which it would be willing to purchase the ROFO Securities (the “<b>ROFO Terms</b>”).</li> <li>• If the Transferring Investor: <ul style="list-style-type: none"> <li>○ (i) does not receive a Response Notice by the ROFO Deadline; or (ii) receives a Response Notice by the ROFO Deadline pursuant to which the Other Investor declines to purchase the ROFO Securities, the Transferring Investor may sell the ROFO Securities within 210 days after the date of the ROFO Notice (save that this may be extended to accommodate satisfaction of any mandatory regulatory approvals); and</li> <li>○ receives a Response Notice by the ROFO Deadline pursuant to which the Other Investor elects to purchase the ROFO Securities, the Transferring Investor may sell the ROFO Securities which are the subject of the ROFO Notice to: <ul style="list-style-type: none"> <li>▪ the Other Investor (who shall be obliged to acquire the ROFO Securities on the ROFO Terms); or</li> <li>▪ a third party within 180 days after the date of the ROFO Notice (save that this may be extended to accommodate satisfaction of any mandatory regulatory approvals) on terms which are no less favourable to the Transferring Investor than the ROFO Terms (a “<b>Third Party Sale</b>”).</li> </ul> </li> </ul> </li> <li>• Any transferee in a Third Party Sale must first be compliance-approved by the Other Investor (i.e. such transferee must comply with applicable rules and regulations, including applicable anti-money laundering regulations) and adhere to all terms of the SHA. Transfers to non-financial investors or a non-OECD buyer shall require the prior approval of the Other Investor.</li> </ul>
13.	Drag-along and tag-along	<ul style="list-style-type: none"> <li>• Customary drag-along and tag-along provisions shall be agreed between the Investors and reflected in the Equity Documents.</li> </ul>
14.	IPO	<ul style="list-style-type: none"> <li>• The Investors (acting together) may initiate an initial public offering (“<b>IPO</b>”) of any Group member (and any associated pre-IPO reorganisation).</li> <li>• If an IPO is pursued, the Investors shall co-operate fully with each other, and the Group and their respective financial and other advisers shall use their reasonable endeavours to assist the Group to achieve an IPO in accordance with the rules and regulations of the relevant exchange and other applicable laws and regulations (including entry into customary lock-up restrictions (capped at 180 days for the Investors), orderly marketing and sell-down arrangements, in each case as recommended by the underwriters (which must treat the Investors equally in all cases)).</li> </ul>

	Topic	Terms
		<ul style="list-style-type: none"> <li>On an IPO, no Investor shall be required to sell any securities, but each of the Investors shall be given the right to sell-down pro rata to its pre-IPO shareholding.</li> </ul>
15.	Pre-emption	<ul style="list-style-type: none"> <li>Each shareholder of Topco will have pro rata pre-emption rights on any new issue of securities by a Group member and be entitled to subscribe for such new equity up to the pro rata percentage of their shareholdings in Topco immediately prior to such share issuance.</li> <li>There will be customary exceptions to pre-emption rights in the following cases: <ul style="list-style-type: none"> <li>emergency share issues (subject to catch up right);</li> <li>issues to a seller in connection with an acquisition (provided however that any dilution suffered by a shareholder as a result of a share issue in connection with an acquisition shall not be taken into account when calculating the share ownership thresholds set out in the SHA);</li> <li>share issues to management and/or directors under an approved management equity plan; and</li> <li>share issues to other Group members.</li> </ul> </li> </ul>
16.	Permitted Transfers and Syndication	<ul style="list-style-type: none"> <li>The ROFO, tag-along and drag-along rights shall not apply to any direct or indirect transfer of any securities by an Investor to: <ul style="list-style-type: none"> <li>their affiliates (and subject to usual transfer back provisions if such entity ceases to be an affiliate);</li> <li>any third party provided that the transferring Investor has obtained the prior consent of the non-transferring Investor; or</li> <li>syndication vehicles controlled by such Investor and/or its affiliates, provided that each Investor shall only be entitled to syndicate its holdings of securities in Topco during the 12 month period following Completion or any subsequent capital increase, (each a “<b>Permitted Transfer</b>” and each such transferee a “<b>Permitted Transferee</b>”).</li> </ul> </li> <li>No transfer of securities by way of security is permitted without the prior consent of the other Investor.</li> </ul>
<b>Part D: Miscellaneous</b>		
17.	Platform opportunities	<ul style="list-style-type: none"> <li>A construct for conduct with respect to platform opportunities and M&amp;A generally shall be provided for in the Equity Documents.</li> </ul>
18.	Non-solicit	<ul style="list-style-type: none"> <li>The Investors shall agree customary non-solicit restrictions in respect of selected senior management while they are shareholders in Topco and for one year thereafter.</li> </ul>
19.	Management equity plan	<ul style="list-style-type: none"> <li>A management equity plan to be put in place in respect of the Group will be agreed between the Investors.</li> </ul>
20.	Fees and expenses	<ul style="list-style-type: none"> <li>Neither Investor will charge any monitoring or other fee in connection with its investment in Topco or the Transaction.</li> <li>Reasonable directors’ out-of-pocket expenses shall be reimbursed by or on behalf of Topco.</li> </ul>
21.	Governing law of SHA	<ul style="list-style-type: none"> <li>The SHA shall be governed by English law with exclusive jurisdiction of the English courts.</li> </ul>

	Topic	Terms
22.	Articles of association	<ul style="list-style-type: none"> <li>Terms contained in this term sheet shall be reflected in the SHA and/or the articles of association of Topco.</li> </ul>
<b>Part E: Legally binding provisions</b>		
23.	Confidentiality	<ul style="list-style-type: none"> <li>Each Investor will, and will ensure that its affiliates, directors, officers, employees and advisers (“<b>Representatives</b>”) will, save as required by law, regulation, court order or rules of any applicable exchange, or where the other Investor consents in writing, keep the terms and existence of this term sheet and their involvement in the Transaction in strict confidence and shall not disclose its contents to any person, other than its Representatives who need to know the same in connection with the Transaction (with the disclosing party being responsible for their compliance with this Section 23).</li> </ul>
24.	Assignment	<ul style="list-style-type: none"> <li>No Investor will have the right to assign any of its rights and/or obligations under this term sheet without the prior written consent of the other Investor.</li> </ul>
25.	Counterparts	<ul style="list-style-type: none"> <li>This term sheet may be executed in any number of counterparts, and by each Investor on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this term sheet by e-mail attachment or telecopy shall be an effective mode of delivery.</li> </ul>
26.	Legal effect	<ul style="list-style-type: none"> <li>Subject to the following paragraph, the only provisions of this term sheet that are legally binding and have legal effect from the date of this term sheet are Sections 23 to 28.</li> <li>If the Equity Documents (as defined below) have not been agreed and entered into and/or adopted (as applicable) on or before Completion, then all the provisions of this term sheet (i.e. Sections 1 to 28) shall become legally binding and have legal effect as between the Investors with effect from the date of Completion, and shall forthwith govern the relationship between the Investors concerning Topco, the Group and their respective businesses pending the entry into and/or adoption of the Equity Documents (as applicable).</li> </ul>
27.	Equity Documents	<ul style="list-style-type: none"> <li>Each of the Investors will negotiate in good faith and use reasonable endeavours to agree and enter into the terms of the SHA, Articles and all other documents ancillary thereto (the “<b>Equity Documents</b>”), all of which shall be consistent with the terms set out in this term sheet.</li> <li>The Equity Documents shall, subject to Completion occurring, be entered into or adopted (as applicable) on Completion.</li> <li>The Investors acknowledge that this term sheet does not address all matters that would be reflected in a typical shareholders’ agreement and/or parent company constitutional documents for a transaction of this nature and they agree to negotiate in good faith such customary provisions (provided that they do not contradict the terms of this term sheet) to be included in the Equity Documents.</li> </ul>
28.	Governing law, jurisdiction and entire agreement	<ul style="list-style-type: none"> <li>This term sheet (and any dispute arising out of or otherwise in connection with it) is governed by and is to be construed in accordance with English law and in the case of any dispute concerning this term sheet each of the parties to it submits to the exclusive jurisdiction of the English courts.</li> <li>This term sheet represents the entire agreement between the Investors relating to its subject matter and supersedes and replaces all prior agreements between them relating thereto.</li> </ul>