

Strictly Private and Confidential

Searchlight Capital Partners UK, LLP ("you", "your")
15 Golden Square – 2nd Floor
London, England W1F9JG

3 May 2023

Dear Sirs

Gresham House plc (the "Company")

We understand that you are interested in making an offer to acquire the entire issued and to be issued share capital of the Company either by way of a takeover offer or a scheme of arrangement in accordance with Part 26 of the Companies Act 2006 or otherwise (the "**Proposed Acquisition**").

In consideration of the Company agreeing to make available certain financial and other information relating to the Company and its Group (as defined below), you hereby undertake to the Company in the terms set out in this letter.

1. Interpretation

1.1 The following expressions have the following meanings unless inconsistent with the context:

- "Authorised Recipient"** has the meaning given to it in **paragraph 2.1**
- "Business Day"** a day that is not a Saturday, Sunday or public or bank holiday in England and Wales
- "CJA"** has the meaning given to it in **paragraph 2.3.1**
- "Code"** the City Code on Takeovers and Mergers as from time to time amended and interpreted by the Panel on Takeovers and Mergers
- "Confidential Information"**
 - (a) all information of whatever nature used in or otherwise relating to the business, customers, clients, investors, suppliers, employees, financial affairs or trading position of the Company (or, as the case may be, any member of the Company's Group or any fund or mandate managed by any member of the Company's Group), which is made available (whether before or after the date of this letter) in any form or medium to you and/or your Authorised Recipients and includes all oral communications, models, specifications, programmes, visual presentations, photographs, drawings, analyses, compilations, notes, studies, plans, memoranda or other documents or forms of media which contain or otherwise reflect such information; and
 - (b) all information relating directly or indirectly to the Proposed Acquisition including the existence of the Proposed Acquisition, the contents of this letter, the fact that information has been or may be disclosed to you and all discussions and negotiations between you and the Company or any member of the Company's Group

"Group" in relation to any party, its Parent Undertakings, its Subsidiary Undertakings and the Subsidiary Undertakings of any of its Parent Undertakings from time to time ("**Parent Undertaking**" and "**Subsidiary Undertaking**" having the meanings set out in section 1162 Companies Act 2006)

"Representative" in respect of a company or entity, its affiliates and its and their respective directors, officers, partners, employees, agents and advisers (including, without limitation, lawyers, accountants, management consultants and financial advisers) and "**Representatives**" shall be construed accordingly

"UK MAR" has the meaning given to it in **paragraph 2.3.1**

1.2 Any phrase introduced by the term "**include**", "**including**", "**in particular**" or any similar expression will be construed as illustrative and will not limit the sense of the words preceding that term.

1.3 References to persons will include bodies corporate, unincorporated associations and partnerships.

2. **Confidential Information**

2.1 Save as otherwise permitted under the terms of this letter, you will treat and keep the Confidential Information as secret and confidential and will not, without the Company's prior written consent (which may be given on such terms as the Company considers appropriate), directly or indirectly communicate or disclose, or allow to be communicated or disclosed (whether in writing or orally or in any other manner), any Confidential Information to any person other than (i) to such of your and any member of your Group's Representatives who need to know it strictly for the purposes of considering, evaluating, facilitating or negotiating the Proposed Acquisition or advising, or seeking advice, in relation to the Proposed Acquisition and on the basis that they themselves will not communicate, disclose or copy it to any person who is not an Authorised Recipient and except as permitted by the terms of this letter; or (ii) any other persons who have been expressly approved by the Company to receive such Confidential Information. For the purposes of this letter, any person to whom Confidential Information is permitted to be communicated or disclosed pursuant to this **paragraph 2.1** shall be referred to as an "**Authorised Recipient**".

2.2 You and your Authorised Recipients will not use the Confidential Information for any purpose other than considering, evaluating, facilitating or negotiating the Proposed Acquisition, or advising, or seeking advice, in relation to the Proposed Acquisition and, in particular, you will not:

2.2.1 reveal to any person other than an Authorised Recipient the fact that negotiations are taking place between you and the Company with regard to the Proposed Acquisition nor any information concerning the status or progress of such negotiations "**Transaction Information**"; or

2.2.2 use any Confidential Information in the future conduct of your or any member of your Group's or any of their portfolio companies' trading operations or to gain a commercial or other advantage.

The Company agrees that it will not disclose Transaction Information (i) to any person other than its Representatives who need to know the Transaction Information strictly for the purposes of considering, evaluating, facilitating or negotiating the Proposed Acquisition or advising, or seeking advice, in relation to the Proposed Acquisition, (ii) except as otherwise required by law or the regulations of any stock exchange or listing authority or the Code, or any other governmental or regulatory organisation to which the Company is subject, or (iii) except in accordance with the Code, including as part of an announcement relating to

a possible offer, or publicly identifying the potential offeror, at any time the board of the Company considers appropriate.

2.3 You acknowledge, and will advise your Authorised Recipients, that:

2.3.1 some or all of the Confidential Information and our discussions may be inside information for the purposes of the Criminal Justice Act 1993 (the "**CJA**") and/or Regulation (EU) No. 596/2014 (as incorporated into UK law by the European Union (Withdrawal) Act 2018 and amended by The Market Abuse (Amendment) (EU Exit) Regulations 2019) ("**UK MAR**") and/or the AIM Rules for Companies and that neither you nor any of your Authorised Recipients should deal in securities that are price-affected securities (as defined in the CJA) in relation to the inside information, encourage another person to deal in price-affected securities or disclose the inside information except as permitted by the CJA before the inside information is made public, nor engage or attempt to engage in insider dealing (as defined in UK MAR), nor recommend or induce another person to engage in insider dealing, nor disclose inside information to another person other than in the normal exercise of an employment, profession or duties; and

2.3.2 neither you nor any of your Authorised Recipients should engage in behaviour based on any inside information in the Confidential Information or our discussions which would amount to market manipulation for the purposes of UK MAR until the inside information has been made generally available.

2.4 You will keep all documentation and other papers and all discs, tapes and other media recording or storing the Confidential Information secure and in such a way that is designed to prevent unauthorised access by any third party. In particular, you will restrict access to the Confidential Information to those persons identified in **paragraph 2.1**. You will promptly notify the Company if you become aware that the Confidential Information has been communicated or disclosed in a manner that would constitute a breach of this letter.

2.5 Confidential Information does not include any information which:

2.5.1 is publicly known at the time of its disclosure to you;

2.5.2 becomes publicly known following its disclosure to you (other than as a result of disclosure by you or any other person in breach of this letter);

2.5.3 is already properly and lawfully in your or any of your Authorised Recipient's possession prior to its disclosure to you (as evidenced by your written records) free of any restriction as to its use or disclosure prior to its being so disclosed;

2.5.4 subsequently comes into your or any of your Authorised Recipients' possession from a third party who is not (so far as you are aware, having made reasonable enquiries) under an obligation of confidence to us; or

2.5.5 subject to your compliance with **paragraph 3** below, is required to be disclosed by law, or, if relevant, the regulations of any stock exchange or listing authority or the Code or any other governmental or regulatory organisation to which you are subject.

2.6 You will inform your Authorised Recipients to whom Confidential Information is to be made available of its confidential nature and of the undertakings set out in this letter and you will procure that your Authorised Recipients who receive any Confidential Information comply with the terms of this letter. You agree that you will be responsible to us for any breach of the terms of this letter by your Authorised Recipients as if they were each a party to this letter, unless an Authorised Recipient has undertaken directly with us to comply with the provisions in this letter by executing a deed of adherence to the terms of this letter on terms reasonably satisfactory to the Company.

- 2.7 Save as otherwise permitted pursuant to this letter, you will not seek Confidential Information within the meaning of paragraph (a) of the definition of Confidential Information from, or discuss Confidential Information with, customers, clients, investors suppliers, employees or shareholders of the Company (or, as the case may be any member of the Company's Group or any fund or mandate managed by any member of the Company's Group).
- 2.8 In seeking Confidential Information within the meaning of paragraph (a) of the definition of Confidential Information from, or discussing Confidential Information with, the Company or any other member of the Company's Group or any of their respective advisers, you shall communicate only with Evercore Partners International LLP and Blackdown Partners Limited (or such persons as they authorise).
- 2.9 The undertakings in **paragraphs 2.1 and 2.2** shall not apply to any public announcement regarding the Proposed Acquisition to the extent that such announcement is required to be made pursuant to Rule 2 of the Code.

3. **Announcements and permitted disclosure**

- 3.1 Subject to **paragraphs 3.2 and 3.3**, neither you nor any of your Authorised Recipients will make, or permit or procure to be made or solicit or assist any person to make, any announcement of the Proposed Acquisition without the Company's prior written consent (which may be given on such terms as the Company considers appropriate).
- 3.2 If you are required by law, or, if relevant, the regulations of any stock exchange or listing authority or the Code or any other governmental or regulatory organisation to which you are subject to disclose any Confidential Information, you will, so far as it is lawful and practical to do so prior to any such disclosure, promptly notify the Company of such requirement so as to enable the Company to contest such disclosure or otherwise agree the content and timing of such disclosure; provided that no such notice shall be required in connection with general requests for information from a regulatory body or supervisory authority that is not specifically targeting the Confidential Information or the Company.
- 3.3 If you are unable to inform the Company before you disclose any Confidential Information pursuant to **paragraph 3.2**, you shall (where permitted by law) inform the Company promptly after the disclosure of the full circumstances of the disclosure and all material details of the information that has been disclosed.

4. **Records and return of Confidential Information**

- 4.1 Subject to **paragraph 4.2**, you will, and you will procure (so far as you are reasonably able to do so) that any persons to whom you have disclosed Confidential Information will, at your expense, as soon as reasonably practicable following receipt of a written demand from the Company (and in any event, within 15 Business Days):
- 4.1.1 either (at your or your Authorised Recipients' option) return or destroy all written Confidential Information provided to you or your Authorised Recipients (including all analyses, compilations, studies and other documents prepared by you or any of your Authorised Recipients which contain or otherwise reflect the Confidential Information provided to you and your Authorised Recipients) without keeping any copies;
 - 4.1.2 delete or remove any Confidential Information from any computer, word processor or other similar device; and
 - 4.1.3 on request, provide a written confirmation signed by one of your directors, members or partners (or equivalent) confirming that the requirements of this **paragraph 4.1** have been complied with in full.
- 4.2 **Paragraph 4.1** shall not apply to:

- 4.2.1 Confidential Information that is required to be retained by you or your Authorised Recipients by law, including by stock exchange regulations or by governmental order, decree, regulation or rule, including any papers constituting advice from your professional advisers in relation to the Proposed Acquisition;
- 4.2.2 Confidential Information which has been automatically backed-up on your computer systems or the computer systems of your Authorised Recipients. To the extent that such computer back-up procedures create copies of the Confidential Information, you (or your Authorised Recipients), as appropriate, may retain only such copies for the period backed-up computer records are archived; and
- 4.2.3 any secondary data, such as corporate documents, which contain data or information derived from the Confidential Information which is contained or reflected in material presented to your or any of member of your Group's executive board(s) (or the equivalent thereof),

provided that the provisions of this letter shall continue to apply to any Confidential Information retained in accordance with this **paragraph 4.2** and this paragraph shall survive termination of this letter.

- 4.3 The Confidential Information provided to you or your Authorised Recipients will remain the property of the Company and its disclosure will not confer upon you any rights (including any intellectual property rights) over such Confidential Information.

5. **Non-Solicitation of Employees**

- 5.1 You will not (whether alone or in conjunction with, or on behalf of, another person and whether directly or indirectly), within a period of 15 months from the date of this letter, solicit or entice away, or endeavour to solicit or entice away, from the Company or any member of its Group, or employ, any person employed by, or who is a consultant to, the Company, any member of its Group or any fund or mandate managed by the foregoing, where the person in question either has Confidential Information or would be in a position to exploit the trade connections of the Company, any member of its Group or any fund or mandate managed by the foregoing.

- 5.2 The placing of an advertisement of a post available to a member of the public generally and the recruitment of a person through an employment agency shall not constitute a breach of **paragraph 5.1** provided that no company in your Group or any of your respective officers and employees encourages or advises such an agency to approach any such person referred to in **paragraph 5.1**. **Paragraph 5.1** shall not prohibit the employment of any person who approaches you for employment without prior solicitation.

6. **Non Solicitation of Customers, Clients and Investors**

Without prejudice to the generality of **paragraph 2.2**, you will not (whether alone or in conjunction with, or on behalf of, another person and whether directly or indirectly), within a period of 15 months from the date of this letter, solicit or entice away, or endeavour to solicit or entice away, any customer, client or investor of any member of the Company's Group or any fund or mandate managed by any member of the Company's Group (as the case may be), where you have been provided with Confidential Information relating to that customer, client or investor.

7. **Restrictions on acquisition of further interests**

- 7.1 Save in respect of the implementation of a recommended offer and without prejudice to any obligations you may have at law or under the Code, you will not, and will procure that no members of your Group that you control and/or manage whether alone or acting in concert with others, without the prior written consent of the Company, for a period of 1 year from the date of this letter:

- 7.1.1 in any manner acquire, announce an intention to acquire or enter into any agreement, arrangement or undertaking to acquire, or procure or induce any other person to acquire, announce an intention to acquire or enter into any agreement, arrangement or undertaking to acquire, any interest in securities (as defined by the Code) of the Company;
 - 7.1.2 make a general offer for all or part of the share capital of the Company;
 - 7.1.3 announce, or take any action which under the Code would require the announcement of, any proposals for any takeover, merger, consolidation or share exchange or similar transaction involving the shares of the Company;
 - 7.1.4 make or in any way participate, directly or indirectly, in any solicitation of proxies or votes, or any attempt to influence votes, from or by any holder of voting shares or other securities in the Company in connection with any vote on any matters submitted or proposed to be submitted to a vote of holders of voting shares or other securities in the Company;
 - 7.1.5 contact any shareholder of the Company with a view to:
 - 7.1.5.1 undertaking any of the actions described in **paragraph 7.1.4**;
 - 7.1.5.2 discussing an offer or possible offer for the Company, including in situations where you or a third party has made a possible offer announcement for the Company under Rule 2.4 of the Code; or
 - 7.1.5.3 seeking irrevocable undertakings or letters of intent in connection with an offer or possible offer for the Company;
 - 7.1.6 otherwise act to seek to control or influence the management, board of directors, shareholders or policies or affairs of the Company or any member of the Company's Group;
 - 7.1.7 requisition or induce or attempt to induce any other person to requisition any general meeting of the Company or circulate any proposals to shareholders of the Company;
 - 7.1.8 enter into any agreement, understanding or arrangement with any person with respect to the holding, voting or disposition of any securities of the Company; or
 - 7.1.9 seek election to or seek to place a representative on the board of directors of the Company or seek a renewal of any member of the board of directors of the Company.
- 7.2 Nothing in this **paragraph 7** will prevent:
- 7.2.1 you or any member of your Group from acquiring any interest in securities (as defined by the Code) in the Company or making a general offer for all or part of the share capital of the Company where a third party not acting in concert with you has announced a firm intention to make an offer for the Company under Rule 2.7 of the Code; or
 - 7.2.2 any person from taking any action in the normal course of its investment or advisory business, carried out in a client-serving capacity by any part of your or any of your Group's trading operations that is a recognised intermediary within the meaning of the Takeover Code or in the ordinary course of business of that member of your Group as a fund manager, market-maker, broker or provider of trustee or nominee services where the decision to acquire or dispose is taken by an individual who is not in possession of Confidential Information.

7.3 In the event that the Company enters into a confidentiality agreement with any other possible offeror that contains restrictions that are materially less onerous than those set out in this **paragraph 7**, as soon as possible after the identity or existence of that possible offeror becomes public, the Company will notify you of such agreement and the provisions of this **paragraph 7** shall, to the extent they are more onerous, be deemed to be amended to reflect the less onerous restrictions.

8. Principal

You confirm that you are acting as principal or on behalf of funds managed by you or your associates and not as nominee, agent or broker for any other person and that each party will be responsible for any costs incurred by it or any member of its Group in connection with the Proposed Acquisition and/or the consideration and evaluation of the Confidential Information.

9. No offer or licence

You accept that:

9.1 neither the Confidential Information nor anything else in this letter will constitute an offer by or on behalf of the Company to enter into the Proposed Acquisition or any further agreement and that we may terminate negotiations with and, withhold further Confidential Information from you at any time without giving any reason; and

9.2 the disclosure to you of any Confidential Information will not give you any licence or other rights whatsoever in respect of any part of such Confidential Information beyond any rights granted expressly under the terms of this letter.

10. Duration

Unless expressly stated to the contrary, the obligations set out in this letter will continue in full force and effect until the earlier of: (i) 1 year after the date of this letter; and (ii) the date on which either (a) the court order sanctioning a scheme of arrangement in relation to the Proposed Acquisition has been delivered to the Registrar of Companies for registration or, as the case may be, or (b) the Proposed Acquisition becomes unconditional in all respects in accordance with its terms.

11. Representations and loss

11.1 None of the Confidential Information has been subject to verification and neither the Company nor any member of its Group nor any of its or their Representatives accepts responsibility for or makes any representation, expressed or implied, or gives any warranty with respect to the accuracy or completeness of the Confidential Information and neither the Company nor any member of its Group nor any of their Representatives shall be under any obligation to update or correct any Confidential Information.

11.2 You will be responsible for making your own decision on the Confidential Information and you acknowledge that you will have no right of action (except in cases of fraud) against the Company or any member of its Group or any of its or their Representatives in relation to the accuracy, reasonableness or completeness of any of the Confidential Information. Accordingly, the Company and any member of its Group and its and their Representatives will not (except in cases of fraud) be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of any reliance on any statement contained in or omitted from the Confidential Information.

12. Remedies and adequacy of damages

12.1 A delay in exercising or failure to exercise a right or remedy under or in connection with this letter will not constitute a waiver of or prevent or restrict future exercise of that or any other right or remedy nor will the single or partial exercise of a right or remedy prevent or restrict the further exercise of that or any other right or remedy.

12.2 Without prejudice to any other rights and remedies that the Company may have, you acknowledge and agree that the Confidential Information is valuable and that damages might not be an adequate remedy for any breach by you or any of the persons to whom you have disclosed Confidential Information of the terms of this letter. Accordingly, the Company will be entitled, without having to prove special damage, to seek equitable relief (including injunction and specific performance) for any breach or threatened breach by you of the terms of this letter and no proof of special damages will be necessary to enforce this letter.

13. **Assignment**

13.1 You agree that the rights of the Company under this letter may be assigned or transferred in whole or in part to any third party which may acquire a direct interest in the Company and that such party may enforce this letter to the same extent and to the same manner as the Company can enforce it. Accordingly, the terms of this letter will be binding and enure for the benefit, and be enforceable by the Company's successors and assigns and references to the Company will be construed accordingly.

13.2 Except as provided in **paragraph 13.1**, no person may assign, transfer, charge, hold on trust for any pension or deal in any other manner with any of its rights under this letter.

14. **Third party rights**

Each member of the Company's Group has the right to enforce the terms of this letter in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999. Save as provided in this paragraph, the parties to this letter do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person other than the parties.

15. **Variation**

No variation of this letter will be effective unless in writing and signed by or on behalf of the Company and you but no variation will require the consent of any of the third parties referred to in **paragraph 14**.

16. **Severability**

Each of the undertakings set out in this letter is separate and severable. Accordingly, if any court or body or authority of competent political jurisdiction finds any such undertakings or part of an undertaking to be illegal, unlawful, void or unenforceable this shall not affect the remaining part of the undertakings which will continue in full force and effect.

17. **Notices**

17.1 Any notice or other communication given under or in connection with this letter will be in writing addressed to the recipient and:

17.1.1 sent by pre-paid first class post to that party's address; or

17.1.2 delivered to or left at (but not, in either case, by post) that party's address.

The address and representative for each party are set out below and may be changed by that party giving at least 2 days' notice in accordance with this **paragraph 17**.

Offeror

Company

15 Golden Square, 2nd Floor, London,
United Kingdom, W1F 9JG

80 Cheapside, London, EC2V 6EE

For the attention of:

For the attention of:



17.2 Any notice or communication given in accordance with **paragraph 17.1** shall be deemed to have been served:

17.2.1 if given as set out in **paragraph 17.1.1**, at 9.00am on the 2nd Business Day after the date of posting; and

17.2.2 if given as set out in **paragraph 17.1.2**, at the time the notice or communication is delivered to or left at that party's address;

provided that if a notice or communication is deemed to be served before 9.00am on a Business Day it shall be deemed to be served at 9.00am on that Business Day and if it is deemed to be served on a day which is not a Business Day or after 5.00pm on a Business Day it shall be deemed to be served at 9.00am on the immediately following Business Day.

17.3 To prove service of a notice or communication it shall be sufficient to prove that the provisions of **paragraph 17.1** were complied with.

18. **Entire agreement**

This letter constitutes the entire agreement between the parties and supersedes any prior agreement or arrangement in respect of its subject matter and:

18.1 neither party has entered into this letter in reliance upon, and it shall have no remedy in respect of, any representation or statement (whether made by the other party or any other person) which is not expressly set out in this letter;

18.2 the only remedies available for breach of any representation or statement which was made prior to entry into this letter and which is expressly set out in this letter shall be for breach of contract; and

18.3 nothing in this **paragraph 18** shall be interpreted or construed as limiting or excluding the liability of either party for fraud or fraudulent misrepresentation.

18.4 No provision of this letter is binding on or applicable to your portfolio companies that have not received Confidential Information and no such portfolio company will be deemed to have received Confidential Information solely as a result of the dual role of your personnel also being directors of such portfolio companies. Any proceeding under or in connection with this letter shall only be brought against the parties hereto.

18.5 If any provision of this letter shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this letter, which shall remain in full force and effect.

18.6 No provision of this letter is binding on or applicable to any of you or your affiliated investment funds' portfolio companies ("**Portfolio Companies**") that have not received Confidential Information. The parties hereto acknowledge that certain of your and your affiliated investment managers' personnel may be directors of Portfolio Companies and accordingly, no such Portfolio Company will be deemed to have received Confidential Information as a result of the dual role of such personnel.

19. **Governing law and jurisdiction**

19.1 This letter and any non-contractual obligations arising out of or in connection with it will be governed by the law of England and Wales.

19.2 The courts of England and Wales will have exclusive jurisdiction to determine any dispute arising out of or in connection with this letter (including in relation to any non-contractual obligations).

If you accept and agree the terms of this letter, please acknowledge such acceptance and agreement by signing and returning to the Company the enclosed copy of this letter.

Yours faithfully

A large black rectangular redaction box covering the signature of the representative.

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For and on behalf of **Gresham House plc**

We accept and agree to the terms of your letter dated
above.

3 May 2023 of which a copy is set out



For and on behalf of
Searchlight Capital Partners UK, LLP