

**DATED**

6 December

**2023**

**(1) ANELLA LIMITED**

**AND**

**(2) TDR CAPITAL NOMINEES LIMITED**

**AND**

**(3) VARIOUS EATERIES TRADING  
LIMITED**

**AND**

**(4) VARIOUS EATERIES PLC**

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**CONVERSION AGREEMENT**

**Relating to a secured loan agreement  
dated 13 August 2019 as amended  
pursuant to amendment agreements  
dated 25 August 2022, 7 June 2023 and  
the date hereof**

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**THIS AGREEMENT** is executed as a deed on 6 December 2023

**BETWEEN**

- (1) **ANELLA LIMITED** a company incorporated in England and Wales with company number 10460085 whose registered office is at 2 Royston Road, Richmond, England, TW10 6LT (“**Anella**”);
- (2) **TDR CAPITAL NOMINEES LIMITED** a company incorporated in England and Wales with company number 04708906 whose registered office is at 20 Bentinck Street, London, W1U 2EU (“**TDR**”);
- (3) **VARIOUS EATERIES TRADING LIMITED** incorporated and registered in England and Wales with company number 09185571 whose registered office is at 20 St. Thomas Street, London, England, SE1 9RS (“**VETL**”); and
- (4) **VARIOUS EATERIES PLC** incorporated and registered in England and Wales with company number 12698869 whose registered office is at 20 St. Thomas Street, London, England, SE1 9RS (“**Company**”).

**BACKGROUND**

- A On 13 August 2019 VETL, Anella and TDR (amongst others) entered into a facility agreement, pursuant to which VETL borrowed certain sums from Anella and TDR (“**Facility Agreement**”). On the date hereof the Facility Agreement was amended to permit the early repayment of the Loans and the repayment of the Loans other than in cash.
- B TDR, Anella and VETL have agreed that the Loans shall be repaid at the Effective Time (as defined below) and in full by the issue of the Conversion Shares (as defined below) on the terms set out in this agreement.

**1 DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

“**Act**” means the Companies Act 2006;

“**agreed form**” means a form that has been agreed by the parties to this agreement at the date of this agreement, with any alterations that may be agreed between the parties in writing;

“**Anella Conversion Shares**” means 1,569,348 ordinary shares of £0.01 each in the capital of the Company;

“**Anella Loan**” means the sum of £392,337 owed by VETL to Anella under the Facility Agreement;

“**Anella Repayment Amount**” means the amount due from VETL to Anella on Repayment;

“**Anella Subscription Amount**” means £392,337;

“**Articles**” means the Company’s articles of association in force at the date of this agreement;

“**Condition**” has the meaning given in clause 3;

“**Conversion Shares**” means the Anella Conversion Shares and the TDR Conversion Shares;

**“Deed of Priority”** means the deed of priority dated 27 February 2020 as subsequently amended from time to time and made between and made between (1) FP, (2) VETL, (3) Xercise2 Limited, (4) Zeta Shares Limited, (5) TDR Capital Nominees Limited, (6) Anella Limited, (7) SCP Sugar Limited and (8) Coppa Club Limited;

**“Deed of Release”** means the agreement for the release of the Security in the agreed form;

**“Deed of Termination”** means the deed of termination of the Deed of Priority in the agreed form;

**“Effective Time”** means the admission of the Placing Shares and the Conversion Shares to the London Stock Exchange’s AIM Market;

**“Loans”** means the Anella Loan and the TDR Loan;

**“Longstop Date”** means 31 January 2024;

**“Placing”** has the meaning given in clause 3.1;

**“Placing Shares”** has the meaning given in the announcement released by the Company on the date of this agreement relating to, amongst other things, the Placing;

**“Repayment”** means the repayment of the Loans in the manner contemplated by clause 2;

**“Security”** means the security agreement in favour of Anella and TDR amongst others (charge code 0918 5571 0004) made between, amongst others, VETL, Anella and TDR dated 13 August 2019;

**“TDR Conversion Shares”** means 861,404 ordinary shares of £0.01 each in the capital of the Company;

**“TDR Loan”** means the sum of £215,351 owed by VETL to TDR under the Facility Agreement;

**“TDR Repayment Amount”** means the amount due from VETL to TDR on Repayment; and

**“TDR Subscription Amount”** means £215,351.

1.2 Capitalised terms not defined in clause 1.1 shall have the meaning given to them in the Facility Agreement.

1.3 In this agreement, unless the context otherwise requires:

1.3.1 words in the singular include the plural and vice versa and words in one gender include any other gender;

1.3.2 a person includes any individual, firm, corporation, body corporate, association or partnership, trust, unincorporated organisation, employee representative body, government or state or agency or department thereof, executors, administrators or successors in title (whether or not having a separate legal personality);

1.3.3 clauses and Schedules are to clauses of and schedules to this agreement;

1.3.4 sterling and the sign £ means pounds sterling in the currency of the United Kingdom; and

- 1.3.5 the table of contents and headings are for convenience only and shall not affect the interpretation of this agreement.

## 2 REPAYMENT OF LOANS AND ISSUE OF THE CONVERSION SHARES

- 2.1 As at the Effective Time and subject to the satisfaction of the Condition and the terms of this agreement, Anella, TDR and VETL agree that, in accordance with clause 2.1 of the Facility Agreement, the Loans shall be repaid in full.
- 2.2 Simultaneously with Repayment the Conversion Shares shall be issued, allotted and settled as follows:
  - 2.2.1 Anella will subscribe for the Anella Conversion Shares at an aggregate subscription price equal to the Anella Subscription Amount;
  - 2.2.2 TDR will subscribe for the TDR Conversion Shares at an aggregate subscription price equal to the TDR Subscription Amount;
  - 2.2.3 the Company will issue the Anella Conversion Shares to Anella;
  - 2.2.4 the Company will issue the TDR Conversion Shares to TDR;
  - 2.2.5 Anella assigns its right to the Anella Repayment Amount to the Company in settlement of its obligation to pay the Anella Subscription Amount to the Company and the Company accepts that assignment; and
  - 2.2.6 TDR assigns its right to the TDR Repayment Amount to the Company in settlement of its obligation to pay the TDR Subscription Amount to the Company and the Company accepts that assignment.
- 2.3 The parties agree that until the Effective Time, VETL shall pay interest in cash on the Loans as required under the Facility Agreement.
- 2.4 Anella agrees and acknowledges that from the Effective Time and subject to completion of the events specified in clause 3:
  - 2.4.1 it shall have no claim against VETL in respect of the Anella Loan; and
  - 2.4.2 any sums owing to Anella in connection with the Anella Loan shall instead be owed to the Company and as regards Anella be fully and unconditionally discharged.
- 2.5 TDR agrees and acknowledges that from the Effective Time and subject to completion of the events specified in clause 3:
  - 2.5.1 it shall have no claim against VETL in respect of the TDR Loan; and
  - 2.5.2 any sums owing to TDR in connection with the TDR Loan shall instead be owed to the Company and as regards TDR be fully and unconditionally discharged.

## 3 COMPLETION

- 3.1 Completion of the Repayment is conditional only on the Company's placing announced on the date of this agreement ("**Placing**") being unconditional in accordance with its terms and the passing of the shareholder resolutions to be proposed at the general

meeting of the Company to be held on or about 22 December 2023 (the “**Condition**”), and shall take place at the Effective Time, whereupon:

- 3.1.1 the Company shall issue and allot the Conversion Shares credited as fully paid with full title guarantee and free from encumbrances and third party rights. The Conversion Shares shall be allotted and issued fully paid and rank *pari passu* in all respects with the Company’s other ordinary shares;
  - 3.1.2 the Company shall execute and deliver to each of Anella and TDR a definitive share certificate in respect of their respective Conversion Shares;
  - 3.1.3 the Company shall register each of Anella and TDR, without registration fee, in its register of members as holder of their respective Conversion Shares;
  - 3.1.4 Anella and TDR shall execute the Deed of Release and do or procure the doing of all such other acts as may be required to procure the immediate, unconditional release of the Security; and
  - 3.1.5 Anella and TDR shall deliver to the Company and VETL a duly executed Deed of Termination.
- 3.2 In the event that the Condition is not satisfied by the Longstop Date, all obligations of the parties shall cease and determine and no party shall otherwise have any claim against any of the others pursuant to the terms of this Agreement.

#### **4 CERTAIN UNDERTAKINGS**

Anella and TDR severally confirm and agree that:

- 4.1 they are entering into this Agreement on the basis only of the terms and conditions set out or referred to in this Agreement and not on the basis of any other document or representation made to it;
- 4.2 the Conversion Shares are subject to the Articles;
- 4.3 they understand the Conversion Shares have not been and will not be registered under the US Securities Act 1933 (as amended) or any other US securities laws and may not be offered or sold within the United States except in accordance with Regulation S or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act;
- 4.4 they are not a “US person” (as defined in Regulation S) and are not acquiring the Conversion Shares on behalf of a third party who is a national resident of the United States or with a view to distributing such shares in or into the United States; and
- 4.5 in agreeing to acquire the Conversion Shares, they are not relying on any information or representation in relation to the Company or the Conversion Shares other than information contained or referred to in this Agreement and information published by the Company which is in the public domain and they are not relying on any representation or warranties or agreements by the Company or any director, employee or agent of the Company or any other person except as expressly set out or referred to in this Agreement.

#### **5 ANTI-MONEY LAUNDERING**

- 5.1 The execution by Anella and TDR of this agreement constitutes their agreement that, to ensure compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Company may, in its absolute discretion, require verification of its identity.

5.2 Notwithstanding any other provision of this agreement, pending the provision of satisfactory evidence of identity, definitive certificates in respect of the Conversion Shares may be retained at the absolute discretion of the Company.

## **6 GENERAL**

6.1 Each party will do or procure the doing of all acts and things and execute or procure the execution of all such documents as any other party reasonably considers necessary to give full effect to the terms of this agreement.

6.2 No exercise, or failure or delay in exercising any right, power or remedy by any party shall constitute a waiver by that party of, or preclude any further exercise of, that or any rights, power or remedy arising under this agreement or otherwise.

6.3 No variation of this agreement shall be permitted without the consent in writing of each of the parties.

## **7 INVALIDITY**

To the extent that any provision of this agreement is found by any court or competent authority to be invalid, unlawful or unenforceable in any jurisdiction, that provision shall:

7.1 be deemed not to be a part of this agreement;

7.2 not affect the enforceability of the remainder of this agreement; and

7.3 not affect the validity, lawfulness or enforceability of that provision in any other jurisdiction.

## **8 COUNTERPARTS**

If the parties execute this agreement in separate counterparts, it shall take effect as if they had all executed a single copy.

## **9 GOVERNING LAW AND JURISDICTION**

9.1 This agreement, and any dispute, claim or obligation (whether contractual or non-contractual) arising out of or in connection with it, its subject matter or formation shall be governed by English law.

9.2 The parties irrevocably agree that the English courts shall have exclusive jurisdiction to settle any dispute or claim (whether contractual or non-contractual) arising out of or in connection with this agreement, its subject matter or formation.

**THIS DOCUMENT** is executed as a deed and delivered on the date stated at the beginning of this agreement.





