

DATED 18 SEPTEMBER 2020

(1) XERCISE2 LIMITED

AND

(2) RARE BIRD HOTELS LIMITED

AND

(3) THE GREAT HOUSE AT SONNING  
LIMITED

AND

(4) HUGH OSMOND

AND

(5) VARIOUS EATERIES PLC

AND

(6) WH IRELAND LIMITED

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RELATIONSHIP AGREEMENT

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## CONTENTS

	<b>Page No.</b>
1	DEFINITIONS AND INTERPRETATION ..... 1
2	ADMISSION DOCUMENT ..... 4
3	BOARD APPOINTMENTS ..... 4
4	MAIN UNDERTAKINGS ..... 5
5	FOUNDER ASSOCIATES ..... 7
6	NOTICES ..... 7
7	GENERAL ..... 8
8	GOVERNING LAW ..... 9
	SCHEDULE 1 ..... 11
	Board Reserved Matters ..... 11

THIS DEED is made on

18 SEPTEMBER

2020

**BETWEEN:**

- (1) **XERCISE2 LIMITED** (company number 07259361) whose registered office is at 2nd Floor, 47 Marylebone Lane, London, United Kingdom W1U 2NT ("**Xercise2**");
- (2) **RARE BIRD HOTELS LIMITED** (company number 08258851) whose registered office is at 2nd Floor, 47 Marylebone Lane, London, United Kingdom W1U 2NT ("**RBH**");
- (3) **THE GREAT HOUSE AT SONNING LIMITED** (company number 00767681) whose registered office is at 2nd Floor, 47 Marylebone Lane, London, United Kingdom W1U 2NT ("**TGH**");
- (4) **HUGH OSMOND** of [REDACTED] ("**Founder**"); and

**IN FAVOUR OF:**

- (5) **VARIOUS EATERIES PLC** (company number 12698869) whose registered office is at 12 Great Portland Street, 2nd Floor, London W1W 8QN ("**Various Eateries**" or the "**Company**"); and
- (6) **WH IRELAND LIMITED** (company number 02002044) whose registered office is at 24 Martin Lane, London, England EC4R 0DR ("**WH Ireland**").

**BACKGROUND**

- A The Founder is the founder of, and Xercise2, RBH and TGH are, or have agreed to become, shareholders in, Various Eateries.
- B As at the date of this document, the Founder owns and controls a majority of the voting rights of Xercise2, RBH and TGH.
- C Various Eateries has asked Xercise2, RBH, TGH and the Founder to enter into this document as a Deed in anticipation of the admission of the Company's shares to trading on the London Stock Exchange's AIM market, to manage the relationship between them to ensure that the Company can carry on its business independently of the Founder.

**IT IS AGREED:**

**1 DEFINITIONS AND INTERPRETATION**

1.1 In this document:

"**Admission**" means the proposed admission of the Company's Ordinary Shares to trading on AIM;

"**Admission Date**" means the date on which Admission occurs;

"**Admission Document**" means the document to be issued by the Company as its AIM admission document for the purpose of the AIM Rules (in substantially the same form as the draft annexed to this document - the "**Settled Form Document**");

"**AIM**" means the AIM market operated by the London Stock Exchange;

"**AIM Rules**" means the AIM Rules for Companies and related guidance notes as published by the London Stock Exchange from time to time;

"**Articles**" means the Company's articles of association as in force from time to time;

**“Board”** means the Company's board of directors from time to time;

**“Board Reserved Matter”** means a matter listed in the Schedule;

**“Business Day”** means any day which is not a Saturday or Sunday or a bank or other public holiday in England;

**“Directors”** means the Company's directors from time to time;

**“Founder Associate”** means any of:

- (a) any spouse, civil partner or child (of any age) or grandchild of the Founder and any spouse, civil partner or child of any such person (together the Founder's **“Family”**);
- (b) the trustee(s) (acting as such) of any trust of which the Founder or any of his Family is a beneficiary or a potential beneficiary or could reasonably be expected to become a beneficiary (excluding any trust that is an occupational pension scheme or an employees' share scheme and any trust under which the only interest or potential interest of the Founder or any of his Family is of an incidental or trivial nature);
- (c) any company in whose equity securities the Founder and/or his Family are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that any or all of them are (or would on the fulfilment of the condition or the occurrence of the contingency be) able:
  - (i) to exercise or control the exercise of 30% or more of the votes able to be cast at that company's general meetings on all, or substantially all, matters; or
  - (ii) to appoint or remove directors holding a majority of voting rights at that company's board meetings on all, or substantially all, matters; and
- (d) any partnership (including a limited liability partnership) of which the Founder, any of his Family, any trustee within (b) above or any company within (c) above is a member;

**“Founder Person”** means the Founder, Xercise2, RBH, TGH and any Founder Associate;

**“Group”** means the group of undertakings of which the Company is the parent undertaking;

**“Group Member”** means a member of the Group;

**“Independent Directors”** means each of the following persons (in each case only for so long as he is a Director):

- (a) Glyn Barker and Gareth Edwards;
- (b) any non-executive Director who is to be treated as independent in accordance with the QCA Code;
- (c) any non-executive Director who is not a Founder Person nor directly or indirectly connected to or (but for his status as a Director) associated with:
  - (i) a Founder Person; nor

- (ii) any significant investor in the Company; nor
  - (iii) any professional adviser or lender to the Company; nor
  - (iv) any organisation with whom the Company or a Founder Person has a significant business relationship; and
- (d) any Director whom any Independent Director and WH Ireland (acting together) notify the Founder is to be treated as an Independent Director for the purposes of this document;

**“London Stock Exchange”** means London Stock Exchange plc;

**“Ordinary Shares”** means ordinary shares in the capital of the Company;

**“QCA Code”** means the Corporate Governance Code published by the Quoted Companies Alliance;

**“Relevant Period”** means any of the following periods:

- (a) the period from the date of this document to the Admission Date; and
- (b) the period from the Admission Date but only for so long afterwards as the aggregate number of Ordinary Shares in which the Founder together with the other Founder Persons are interested is at least 10% of the Ordinary Shares then in issue; and
- (c) any subsequent period during which the aggregate number of Ordinary Shares in which the Founder, together with other Founder Persons are, and remain, interested in is at least 10% of the Ordinary Shares then in issue so long as the first day of such a period is no more than one year after a date on which the Founder was previously interested in at least 10% of the Ordinary Shares then in issue.

**“Takeover Code”** means the City Code on Takeovers and Mergers that is issued and administered by the Panel on Takeovers and Mergers (**“Takeover Panel”**), a body with statutory functions under UK law set out in Part 28 of the UK Companies Act 2006.

1.2 In this document:

- 1.2.1 headings are for convenience only and do not affect the construction of this document;
- 1.2.2 references to Clauses are to the clauses of this document;
- 1.2.3 words denoting the singular include the plural and vice versa, words importing gender include all genders and words denoting persons include corporations, unincorporated associations and partnerships;
- 1.2.4 references to any statute or statutory provision include any statutory modification re-enactment of it (in each case as in force at the applicable time) and any subordinate legislation made under it;
- 1.2.5 the meaning of general words introduced by **“other”**, **“include”** or **“including”** is not restricted as a result of them being preceded by words indicating a particular class of acts, matters or things or being followed by particular examples intended to be embraced by the general words;

- 1.2.6 references to an “**interest**” in shares or securities shall have the meaning given to the definition “interests in securities” in the Takeover Code and, for the avoidance of doubt, shall include an irrevocable commitment;
- 1.2.7 any reference to any English legal term in relation to any legal concept shall, in respect of any jurisdiction other than England and Wales, be deemed to include an additional and separate reference to the legal concept which in that jurisdiction most nearly corresponds or approximates to that English legal term;
- 1.2.8 “**party**” means any and each of the Founder, Xercise2, RBH, TGH, WH Ireland and Various Eateries, unless the context requires otherwise; and
- 1.2.9 references to hours of the day are to the time as it is in England and any cross-reference to a particular time mentioned elsewhere in this document is to such time on the relevant date.

## 2 **ADMISSION DOCUMENT**

- 2.1 Each of the Founder, Xercise2, RBH and TGH consents to the release and publication of the Admission Document containing all its references to him or it and his or its affiliates.
- 2.2 If Admission has not occurred by 11.59 p.m. on 30 October 2020 or if the admission of the Ordinary Shares to AIM is cancelled at any time, the following clauses shall cease to have further effect:
  - 2.2.1 clause 3 (*Main Undertakings*), save for, and to the extent specified in, clause 4.2.8; and
  - 2.2.2 clause 5 (*Founder Associates*).

## 3 **BOARD APPOINTMENTS**

- 3.1 The Founder shall be entitled to nominate the relevant number of representatives set out in this Clause 3.1 to be appointed as Directors of the Company and the Founder shall be entitled to remove any such Directors and nominate alternative representatives in their place, by written notice to the Company. The Company shall use its reasonable endeavours to procure that any such nominee is, as the case may be, appointed to or removed from the Board. Any such appointment shall be subject to the Articles and applicable laws and regulations. For so long as the Founder, together with the other Founder Persons, continues to hold Ordinary Shares in the capital of the Company representing:-
  - 3.1.1 not less than 20 per cent. of the Ordinary Shares in issue, from time to time, the Founder shall be entitled to nominate two representatives to be appointed as non-executive Directors; and
  - 3.1.2 less than 20 per cent. but not less than 10 per cent. of the Ordinary Shares in issue, from time to time, the Founder shall be entitled to nominate one representative to be appointed as non-executive Directors.
- 3.2 The Founder hereby nominates the Founder and Tiffany Sword to be appointed as non-executive Directors, pursuant to Clause 3.1 of this document.
- 3.3 The Founder shall indemnify the Company on demand in respect of any claims, liabilities, loss or damage arising from, or relating to, the loss of office or employment of any Director which has been appointed by the Founder and is removed following a notice proposing the removal of that Director in accordance with Clause 3.1.

- 3.4 The Founder will not appoint or remove any Directors (including through the exercise of voting rights so as to requisition a general meeting of the Company to seek to propose a resolution to appoint or remove any Director) which would result in a contravention of clause 3.1.
- 3.5 The Founder and the Company agree that the terms of appointment of any Director appointed under clause 3.1 shall include a provision obliging them to resign as a Director should a notice to remove them as a Director be served by the Founder in accordance with clause 3.1.

#### **4 MAIN UNDERTAKINGS**

- 4.1 During any Relevant Period, the Founder, Xercise2, RBH and TGH shall each exercise all voting rights and voting power and all other powers of influence or control that they have in relation to Group Members and shall abstain (where appropriate) from the exercise of such powers in such a way so as to ensure that (in so far as they are able to do so and in accordance with applicable law and regulation including but not limited to a director's fiduciary duties):

##### **4.1.1 Independent Operation**

Each Group Member is capable at all times of carrying on its business independently of all Founder Persons (other than, in relation to the Founder, by him acting in his capacity as a director or an employee of a Group Member).

##### **4.1.2 Arm's Length Transactions**

All transactions, agreements or arrangements entered into between a Group Member (on the one hand) and a Founder Person (on the other) will only be made:

4.1.2.1 at arm's length;

4.1.2.2 on a normal commercial basis; and

4.1.2.3 with the prior approval (confirmed in writing) of the Independent Director(s) and, if (notwithstanding clause 4.1.3) there is only one, with WH Ireland's prior written consent also.

##### **4.1.3 Independent Directors**

There are at least two Independent Directors.

##### **4.1.4 Constitution**

No changes are made to the Articles which would impede the Company's ability to carry on its business independently of any Founder Person.

##### **4.1.5 Board Reserved Matters**

Only the Independent Directors shall be permitted to vote on any resolution of the Board (or any committee of the Board) in respect of a Board Reserved Matter (unless all the Independent Directors otherwise consent).

4.2 During any Relevant Period (and in respect of clause 4.2.8 only, for an additional period of 12 months following the termination of this document or clause 2.2 applying), the Founder, Xercise2, RBH and TGH shall (in so far as they are able to do so and in accordance with applicable law and regulation including but not limited to a director's fiduciary duties):

4.2.1 AIM Rules and Corporate Governance

4.2.1.1 Comply with the AIM Rules in relation to the Company insofar as applicable to him;

4.2.1.2 Not do anything which would or could reasonably be expected to prevent the Company from complying with the AIM Rules; and

4.2.1.3 Not do anything which would or could reasonably be expected to prevent the Company from complying with the QCA Code.

4.2.2 Constitution and applicable law

Comply with all provisions in the Articles and applicable law and regulation, including those relating to the disclosure of interests in shares.

4.2.3 Appointed Directors

Procure that any Director appointed in accordance with clause 3.1 declares his or her interest to the Board in relation to any decisions in which any Founder Person has a material interest (other than by virtue of its interest in shares or debentures or other securities or otherwise in or through the Company, or, in the case of any proposal affecting any class of shareholders of the Group generally, by virtue of the interest as such a shareholder) and complies with any Board determination in accordance with the conflict provisions in the Companies Act 2006 and the Articles as to whether or not such Director is precluded from discussing and/or voting on the matter in question.

4.2.4 No Acquisition of Shares in Group Members and independence

Not acquire any interest in the shares or other securities of any Group Member, other than the Company and procure that no Founder Person shall take any action which is intended to preclude or inhibit any Group Member from operating independently of the Founder Persons.

4.2.5 No Announcements

Not make or cause to be made any public announcement relating to the Group nor release or cause the release of any such information into the public domain (other than in accordance with a prior Board decision recorded in writing).

4.2.6 No Market Abuse

Not contravene Part V of the UK Criminal Justice Act 1993 (concerning insider dealing) or the Market Abuse Regulation (EU 596/2014).

4.2.7 No Release of Group Confidential Information

4.2.7.1 Keep confidential and not disclose or publish any information in his or its possession that is confidential to any Group Member save to the extent such information is required to be disclosed by applicable law, court order, a governmental agency or in



accordance with the Company's obligations as a public company whose shares are admitted to trading on AIM (including, the AIM Rules and the Market Abuse Regulation (EU 596/2014)); and

4.2.7.2 Not use any such information for its own benefit or the benefit of any other business (whether or not such business competes with that of the Company).

#### 4.2.8 No Solicitation

Unless otherwise agreed in writing with the Company and as a Board Reserved Matter, shall not:

4.2.8.1 offer employment to or enter into a contract for the services of, or attempt to solicit or seek to entice away from any Group Member any individual who is at the time of the offer, contract or attempt a director, officer or employee holding an executive or managerial position with any Group Member or procure or facilitate the making of any such offer, contract or attempt by any other person; or

4.2.8.2 solicit or endeavour to entice away from any Group Member any supplier who supplies, or has supplied within the previous 12 months, goods and services to any Group Member if that solicitation or enticement causes or would cause such supplier to cease supplying, or materially reduce its supply of, those goods and services to such Group Member.

#### 4.2.9 No cancellation of Admission

not propose or vote on any resolution of the Company's members to approve the cancellation of Admission nor do nor omit to do anything which would render the Ordinary Shares unsuitable or ineligible for admission to trading on AIM.

#### 4.2.10 Adherence

procure that before it disposes of any interest in any Ordinary Shares to a Founder Person which is not a party to this document, such Founder Person shall agree to be bound by the terms of this document by entering into a deed of adherence in a form reasonably acceptable to the Company and WH Ireland, unless it has obtained the prior approval (confirmed in writing) of the Independent Director(s) and, if (notwithstanding clause 4.1.3) there is only one, with WH Ireland's prior written consent also.

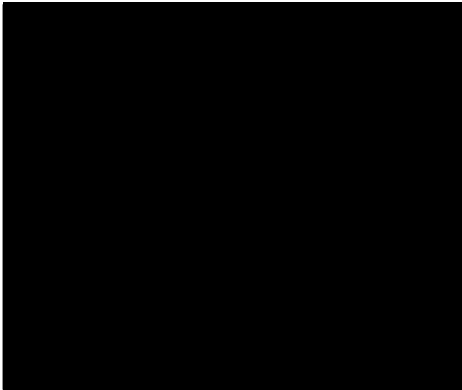
## 5 FOUNDER ASSOCIATES

The Founder shall ensure that each of his Founder Associates complies in all relevant respects with each provision in clause 4 (*Main undertakings*) as if such Founder Associate was an additional party to this document and as if each reference to such Founder in those provisions contained (where applicable) an additional and separate reference to such Founder Associate.

## 6 NOTICES

6.1 Any notice to be given under or for the purposes of this document shall be in writing for the attention of the person stated below and served personally or sent (within the UK) by pre-paid registered mail to the respective address stated at the beginning of this document or by email as set out below (with the email to be headed "*Various Eateries Relationship Agreement - notice under Clause 6.1*"), or as the person

required to receive such notice may otherwise from time to time notify to the other person giving the notice:

	<b>Attention</b>	<b>Email</b>
<b>Xercise 2</b>	Hugh Osmond	
<b>RBH</b>	Hugh Osmond	
<b>TGH</b>	Hugh Osmond	
<b>Founder</b>	Hugh Osmond	
<b>Company</b>	Company Secretary	
<b>WH Ireland</b>	Katy Mitchell	

6.2 Any such written notice shall be deemed to have been served:

6.2.1 if delivered personally, at the time of delivery;

6.2.2 if posted in the same country as the delivery address, at 10.00 a.m. on the second Business Day after it was put pre-paid into the post;

6.2.3 if posted within the UK to an address in another country, at 10.00 a.m. (local time) on the fifth Business Day after it was put pre-paid into the post by airmail or international courier; and

6.2.4 if sent by email, at the time of effective transmission.

6.3 In proving such service by post it shall be sufficient to prove that the letter containing the notice was properly addressed and delivered or put into the post as a pre-paid registered letter (sent, if overseas, by airmail or international courier).

## **7 GENERAL**

### **7.1 Rights of nomad**

All rights exercisable by WH Ireland under this document are exercisable by it entirely at its discretion without any obligation on its part to any person to exercise any such right or as to the manner in or extent to which it does so, or omits to do so. WH Ireland will not be liable to anyone for any act or omission of any kind on their part, or for any exercise of WH Ireland's discretion in any way, in respect of any such rights.

### **7.2 Equitable remedies**

Each of the Founder, Xercise2, RBH and TGH confirm that, if he or it breaches a provision in this document or if the Company and/or WH Ireland has reasonable grounds for anticipating that a breach of any such provision may occur:

7.2.1 damages may not be a wholly adequate remedy for such breach or anticipated breach; and

7.2.2 the appropriate remedy may be an injunction, specific performance or other equitable relief (in addition to or instead of damages).

### **7.3 Invalidity**

If any provision in this document is held to be illegal, invalid or unenforceable (in whole or in part), it shall be deemed not to form part of the agreement recorded by this document but the remaining provisions in this document shall continue in full force and effect.

### **7.4 No third party rights**

No term of this document is enforceable by any person other than the Company or WH Ireland (or in the event that WH Ireland has ceased to act as the Company's nominated adviser for the purpose of the AIM Rules, the Company's nominated adviser from time to time) whether pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise. This document may be rescinded, or varied in any respect, by agreement between its parties without the need for any consent from any third party (including any other Group Member or any other Founder Person). This document may also be terminated in accordance with its terms without the need for any consent from any third party.

### **7.5 Waivers**

No neglect, delay or indulgence on the Company's part in enforcing any right or remedy in respect of this document shall be construed as a waiver of any such right or remedy. No single or partial exercise of any right or remedy on its part shall preclude or restrict the further exercise or enforcement of any such right or remedy. No consent or approval which may be given by the Company for the purpose of this document shall constitute a waiver by it of any breach of this document by the other party unless and to the extent that such consent or approval is expressed to do so.

### **7.6 Whole agreement and variation**

This document (together with any documents referred to in it) constitutes the whole agreement between its parties and, with effect from the date of this document, supersedes any earlier arrangement or agreement between them relating to its subject matter.

### **7.7 Further assurance**

Xercise2, RBH, TGH and the Founder shall (at their own expense) promptly execute and deliver such documents and perform such acts as the Company and the WH Ireland may each reasonably require from time to time for the purpose of giving full effect to this document.

### **7.8 Whole agreement and variation**

This document (together with any documents referred to in it) constitutes the whole agreement between its parties and, with effect from the date of this document, supersedes any earlier arrangement or agreement between them relating to its subject matter.

## **8 GOVERNING LAW**

8.1 This document is governed by, and is to be construed in accordance with, English law. The courts of England have exclusive jurisdiction to hear and decide and settle any action, dispute, proceedings or suit which may arise out of or in connection with this document (collectively "litigation") and, for these purposes, each party irrevocably submits to the exclusive jurisdiction of the courts of England.

8.2 Each party irrevocably waives any objection which he or it might have to the courts of England being nominated as the forum for litigation and agrees not to claim that the

courts of England are not a convenient or appropriate forum for it. A judgement or order of the courts of England in respect of any litigation will be conclusive and binding on the party or parties against whom it is made and may be enforced against him, it or them in the courts of any other jurisdiction.

- 8.3 This clause 8 will not limit the rights of the Company or WH Ireland to take proceedings in another court of competent jurisdiction for the purpose of enforcement or execution of any judgement or other settlement in such court or where it is itself subject to proceedings in such court which are directly related to the matter which is the subject of the action to be brought by it.
- 8.4 The documents which start any litigation and any other documents required to be served in relation to it may be served by the Company or WH Ireland in accordance with clause 6 (*Notices*).

**EXECUTED AS A DEED** by the parties on the date which first appears in this deed.

## **SCHEDULE 1**

### **Board Reserved Matters**

- 1 Any variation, amendment, assignment or novation of any agreement or arrangement with any Founder Person, including, without limitation, this document.
- 2 Any decision as to whether to enforce, and the enforcement of, any agreement or arrangement with a Founder Person, including, without limitation, this document.
- 3 Any decision as to whether to provide approval on behalf of the Company pursuant to clause 4.2.8.
- 4 The adoption, amendment, replacement or abandonment of the corporate governance regime adopted by the Company from time to time.
- 5 The adoption, amendment, replacement or abandonment of the terms of reference for any board committee.
- 6 The cancellation of the admission of the Company's shares to trading on AIM.

