

DATED

2023

(1) CROMA SECURITY SOLUTIONS GROUP PLC

and

(2) THE INDIVIDUALS WHOSE NAMES AND ADDRESSES ARE SET OUT IN SCHEDULE 1

SHARE BUYBACK AGREEMENT

SHOOSMITHS

Forum 5
The Forum
Parkway
Whiteley
Fareham
Hampshire
PO15 7PA
Ref. LSS / M-01052485

THIS AGREEMENT is made on

2023

BETWEEN

- (1) **CROMA SECURITY SOLUTIONS GROUP PLC**, a company incorporated in England (company number 03184978) whose registered office is at Unit 7 & 8, Fulcrum 4 Solent Way, Whiteley, Fareham, England, PO15 7FT; (the “**Company**”); and
- (2) The individuals whose names and addresses are set out in Schedule 1 (each a “**Seller**” and together the “**Sellers**”).

BACKGROUND

- (A) The Company is a public limited company incorporated in England and Wales on 12 April 1996 and has, at the date of this Agreement, an issued share capital divided into 14,902,142 ordinary shares of £0.05 each.
- (B) The Sellers are the registered holders of the Shares shown opposite their names in column 3 of Schedule 1.
- (C) Pursuant to:
 - (i) the powers conferred by section 690 of the Act; and
 - (ii) special resolutions passed at a general meeting pursuant to Chapter 2 of Part 13 of the Act on _____ 2023,

the Company proposes to enter into this Agreement with the Sellers to purchase the Shares in the Company owned by the Sellers on the terms set out in this Agreement.

AGREED TERMS

The parties agree as follows:

1 INTERPRETATION

1.1 In this Agreement the following definitions apply:

“ Act ”	the Companies Act 2006;
“ Completion ”	completion of the sale and purchase of the Shares in accordance with clause 4;
“ Consideration ”	the consideration for the purchase of the Shares as set out in clause 3.1;
“ Encumbrance ”	any mortgage, charge (fixed or floating), pledge, lien, hypothecation, option, restriction, right of pre-emption, assignment by way of security, reservation of title, trust, set-off, claim, third party interest or right (legal or equitable) or other encumbrance or security interest of any kind however created or arising and any other agreement or arrangement (including a

sale and re-purchase arrangement) having similar effect;

“Shares”

the ordinary fully paid shares of £0.05 each in the capital of the Company registered in the names of the Sellers as set out in Schedule 1; and

“Shoosmiths”

Shoosmiths LLP of Forum 5, The Forum, Parkway, Whiteley, Hampshire, PO15 7PA.

1.2 In this Agreement:

1.2.1 the headings are for convenience only and shall not affect the construction or interpretation of this Agreement;

1.2.2 references to clauses and Schedules are to clauses of, and Schedules to, this Agreement; and

1.2.3 the singular includes the plural and vice versa and any gender includes any other gender.

2 SALE OF THE SHARES

2.1 Each of the Sellers shall sell with full title guarantee and the Company shall purchase, free from all Encumbrances, the Shares held by him with effect from the date of this Agreement.

2.2 Title to and beneficial ownership of the Shares shall pass to the Company on Completion and the Shares shall be sold and purchased together with all rights and benefits attaching to them at the date of this Agreement.

2.3 Each of the Sellers hereby waives and agrees to procure the waiver of any pre-emption rights and any other restrictions on transfer which may exist in relation to any of the Shares whether conferred by the articles of association of the Company or otherwise.

3 CONSIDERATION

3.1 The purchase price for the Shares shall be £0.475 per share.

3.2 The Consideration is to be paid out of distributable profits of the Company available for this purpose and which shall be satisfied on Completion by payment in accordance with clause 4.1.

4 COMPLETION

4.1 Completion of the sale and purchase of the Shares shall take place immediately on execution of this Agreement when the Company shall pay to each Seller the amount of the Consideration set out opposite his name in column 4 of Schedule 1 by a telegraphic transfer to the client account of the Shoosmiths, who are hereby irrevocably authorised by each Seller to deal with such funds as directed by each of them in writing. The receipt of the Consideration by Shoosmiths shall be an absolute discharge therefore to the Company.

5 WARRANTIES

5.1 Each Seller warrants and represents to the Company in respect of the Shares held by him that:

5.1.1 there is no Encumbrance on, over or affecting the Shares held by him (including conversion rights and rights of pre-emption) and there is no agreement or commitment to give or create any of the foregoing; and

5.1.2 he is entitled to sell and transfer the full legal and beneficial ownership of the Shares held by him on the terms of this Agreement,

and each Seller acknowledges that the Company enters into this Agreement in reliance on the warranties in clauses 5.1.1 and 5.1.2.

5.2 The parties warrant to each other that they each have full power and authority to enter into and perform this Agreement.

6 INDEMNITY

6.1 Each Seller hereby irrevocably agrees to pay to the Company the total of:

6.1.1 any income tax and primary class 1 national insurance contributions for which the Company is liable or reasonably believes itself to be liable to account;

6.1.2 any secondary national insurance contributions for which the Company is liable to pay or reasonably believes itself to be liable to pay and which can lawfully be recovered from that Seller; and

6.1.3 any interest and penalties for which the Company is liable to account together with any costs reasonably and properly incurred by the Company,

to the extent the same shall arise as a result of or in connection with the sale and purchase of the Shares from that Seller.

6.2 Any amount falling to be paid under clause 6.1 may be deducted from any payments or remuneration that are due to be made by the Company to that Seller on or after the date of the sale and purchase of the Shares (except that, in the case of secondary national insurance contributions, the Company may only withhold such amount as is permitted by the Social Security Contributions Regulations 2001) or failing that the Seller shall pay such amount to the Company upon written request.

7 FURTHER ASSURANCE

7.1 Each Seller shall do or procure to be done all such further acts and things and execute or procure the execution of all such other deeds and documents which shall be necessary or requisite to give effect to the sale and purchase of the Shares in accordance with this Agreement.

8 GENERAL

8.1 This Agreement, shall so far as any of its provisions remain to be or are capable of being performed or observed, remain in effect notwithstanding Completion.

8.2 This Agreement, and the documents referred to in it, constitutes the entire agreement and understanding of the parties and supersedes any previous agreement between the parties relating to the subject matter of this Agreement.

- 8.3 Each of the parties acknowledges and agrees that in entering into this Agreement and the documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, warranty or understanding (whether negligently or innocently made) of any person (whether party to this Agreement or not) which it may have relied on its entering into this Agreement other than as expressly set out in this Agreement. The only remedy available to it shall be for breach of contract under the terms of this Agreement. Nothing in this clause shall, however, operate to limit or execute any liability for fraud.
- 8.4 No variation of this Agreement shall be effective unless made in writing and signed by or on behalf of all the parties.
- 8.5 All expenses incurred by or on behalf of the parties, including all fees of agents, representatives, solicitors and accountants employed by any of them in connection with the negotiation, preparation or execution of this Agreement shall be borne solely by the party who incurred the liability.
- 8.6 This Agreement shall be binding upon and enure for the benefit of each party's successors, estates and personal representatives (as the case may be) but, except as expressly provided herein, none of the rights of the parties under this Agreement may be assigned or transferred.
- 8.7 The parties agree that (save where may be expressly stated otherwise in this Agreement) for the purposes of the Contracts (Rights of Third Parties) Act 1999 they do not intend any person other than a party to this Agreement to be able to enforce any term of this Agreement.
- 8.8 This Agreement may be entered into in any number of counterparts or duplicates, each of which when executed and delivered shall be an original, and such counterparts or duplicates together shall constitute one and the same instrument.

9 LAW AND JURISDICTION

- 9.1 This Agreement shall be governed by and construed in accordance with the laws of England and Wales.
- 9.2 Each party irrevocably agrees to submit to the exclusive jurisdiction of the courts of England and Wales over any claim or matter arising under or in connection with this Agreement.

**SCHEDULE 1
THE SELLERS**

Name	Address	Shares held	Amount of Consideration
Sebastian Morley		601,000 ordinary shares	£285,475.00
Paul Williamson		197,422 ordinary shares	£93,775.45

IN WITNESS of which the parties have executed this Agreement on the date stated at the beginning of this Agreement.

Signed as a deed by)
CROMA SECURITY SOLUTIONS)
GROUP PLC) Director
acting by a director in the presence of:

Signature of witness
Name
(in BLOCK CAPITALS)
Address
.....
.....

Signed as a deed by)
SEBASTIAN MORLEY)
in the presence of:)

Signature of witness
Name (in BLOCK CAPITALS)
Address
.....
.....

Signed as a deed by)
PAUL WILLIAMSON)
in the presence of:)

Signature of witness

Name (in BLOCK

Address