



Share Exchange Agreement

Sheikh Ventures Limited

and

HMSL Services Limited as corporate directors of
Belgravia Investments Limited

and

HMSL Services Limited as corporate directors of
Kensington Capital Limited

and

Amalfi Bidco Limited

27 June 2022

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THIS AGREEMENT is made on 27 June

2022

BETWEEN:

- (1) **SHEIKH VENTURES LIMITED** (No. 11851860) whose registered office is at 1st Floor, Metropolitan House, Darkes Lane, Potters Bar, England EN6 1AG ("**Sheikh Ventures**");
- (2) **HMSL SERVICES LIMITED** as corporate directors of **BELGRAVIA INVESTMENTS LIMITED** (No. 68447) whose registered office is at Granary House, The Grange, St Peter Port, Guernsey, Channel Islands GY1 2QG ("**Belgravia**");
- (3) **HMSL SERVICES LIMITED** as corporate directors of **KENSINGTON CAPITAL LIMITED** (No. 68446) whose registered office is at Granary House, The Grange, St Peter Port, Guernsey, Channel Islands GY1 2QG ("**Kensington**"); and
- (4) **AMALFI BIDCO LIMITED** (No. 14186033) whose registered office is 25a Soho Square, London, United Kingdom, W1D 3QR,

(each a "**party**" and together the "**parties**").

RECITALS

- (A) This Agreement sets out the terms of the agreement between the parties for the contribution of the shareholding of the Founder Group in CareTech Holdings PLC to Bidco.
- (B) In consideration of such contribution, Bidco shall issue to each member of the Founder Group or a Founder Entity (as defined below) loan notes in Bidco in accordance with the terms of this Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. **INTERPRETATION**

1.1 In this agreement:

"Affiliate" means, in relation to a person, a person that directly or indirectly Controls, is Controlled by, or is under common Control with, such person;

"Bidco" means Amalfi Bidco Limited, a private limited company incorporated in England and Wales, whose registered office is at 25a Soho Square, London, United Kingdom, W1D 3QR with registered number 14186033;

"Business Day" means a day (other than Saturdays and Sundays) on which banks in London are open for business;

"Control" means the power to direct the management and policies of a person directly or indirectly, whether through the ownership of voting securities, by contract or otherwise;

"CREST" means the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form;

"Encumbrance" means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, usufruct, other encumbrance or security interest of any kind, or another type of preferential arrangement having similar effect, or any agreement to create any of the foregoing, other than (x) any such right or interest set out in the articles of association of the Target or Bidco, as the case may be, or

(y) applicable to companies generally (including applicable federal and state securities laws);

"Founder Group" means Sheikh Ventures, Belgravia and Kensington;

"Loan Notes" means the unsecured loan notes of £1 each constituted under a loan note instrument executed by Bidco on or around the date of this Agreement;

"Long Stop Date" means 28 February 2022 or such later date as may be agreed by the parties in writing (with the UK Panel on Takeovers and Mergers' consent and as the High Court may approve, if such consent and/or approval is/are required);

"Offer" means the proposed acquisition by Bidco of the entire issued, and to be issued, Ordinary Shares not already owned or controlled by a member of the Founder Group by means of a Scheme of Arrangement (or, if Bidco elects, with the consent of the UK Panel on Takeovers and Mergers, by way of a Takeover Offer), the terms of which are set out in the announcement made by Bidco on or around the date of this agreement under Rule 2.7 of the Takeover Code, and any subsequent revision or variation thereof;

"Ordinary Shares" means the ordinary shares of 0.5 pence each in the capital of the Target;

"Scheme of Arrangement" means the scheme of arrangement of the Target to implement the Offer under Part 26 of the UK Companies Act 2006;

"Takeover Offer" means a takeover offer to implement the Offer;

"Target Shares" means the Ordinary Shares held by the Founder Group, as set out against each Founder Group member's name in schedule 1 of this agreement;

"Target" means CareTech Holdings PLC, a public limited company incorporated in England & Wales, whose registered office is at 5th Floor Metropolitan House, 3 Darkes Lane, Potters Bar, Hertfordshire, EN6 1AG with registered number 04457287;

1.2 In this agreement, a reference to:

- (a) 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;
- (b) a document is a reference to that document as modified or replaced from time to time;
- (c) a person includes a reference to a corporation, body corporate, association or partnership;
- (d) a person includes a reference to that person's legal personal representatives, successors and permitted assigns;
- (e) the singular includes the plural and vice versa (unless the context otherwise requires);
- (f) a time of day is a reference to the time in London, unless a contrary indication appears;
- (g) 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

- (h) the *ejusdem generis* principle of construction shall 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.

2. **CONDITIONS**

2.1 The obligations of the Founder Group and Bidco in clause 3, are in each case conditional in all respects upon the Scheme of Arrangement becoming effective in accordance with its terms (or, if Bidco elects to effect the Offer by way of contractual takeover offer, upon the Offer being declared unconditional in all respects) (the "**Condition**").

2.2 If:

- (a) the Scheme of Arrangement lapses or is withdrawn in accordance with its terms and Bidco publicly confirms that it does not intend to proceed with the Offer or to implement the Offer by way of a Takeover Offer or otherwise;
- (b) the Takeover Offer lapses or is withdrawn; or
- (c) the Condition is not satisfied or waived by the parties prior to the Long Stop Date,

this agreement will terminate in full and cease to have any effect on and from the date of the occurrence of such an event.

3. **SHARE EXCHANGE**

3.1 Following the satisfaction of the Condition, the Founder Group and Bidco shall take or procure to be taken the following actions on the date on which the Condition is satisfied (or such other time as the parties may agree), which shall be deemed to take place simultaneously:

- (a) each member of the Founder Group shall transfer or procure the transfer of the Target Shares with full title guarantee and free from Encumbrances to Bidco, and Bidco shall acquire the Target Shares;
- (b) in satisfaction of clause 3.1(a), each member of the Founder Group shall (at its option) in respect of the Target Shares either:
 - (i) procure the Target Shares held in uncertificated form are transferred to a CREST account to be nominated in writing by Bidco; or
 - (ii) procure the execution of stock transfer forms in relation to the Target Shares which are held in certificated form in favour of Bidco and shall deliver the same to Bidco together with the share certificates relating to such shares (or an express indemnity in the case of any lost certificate) and an irrevocable power of attorney (in such form as Bidco may reasonably require) in favour of Bidco to enable Bidco (pending registration of the relevant transfers) to exercise all voting and other rights attaching to the Target Shares and to appoint proxies for this purpose;
- (c) Bidco shall, in consideration of the share transfer referred to in clauses 3.1(a) and 3.1(b) above, issue to each member of the Founder Group (or such Affiliate of each member of the Founder Group as the relevant member of the Founder Group may nominate in writing to Bidco (the "**Founder Group Entity**") provided that the Founder Group Entity executes a deed of adherence to this agreement in a form

reasonably satisfactory to Bidco) such number of Loan Notes set out opposite the respective Founder Group member's name in column 3 of schedule one, together with all rights attached or accruing to them; and

- (d) Bidco shall provide the Founder Members with the relevant CREST account details in respect of clause 3.1(b)(i) and the address for delivery in respect of clause 3.1(b)(ii) no later than 3 Business Days prior to the satisfaction of the Condition.
- (e) Bidco agrees to bear and pay the cost of all stamp duty, stamp duty reserve tax and any similar transfer taxes (including any penalties, charges and interest relating to any of them) payable on or as a result of the execution of this Agreement or arising as a result of the transfer of the Target Shares pursuant to or in accordance with this Agreement.

4. **RIGHTS OF THIRD PARTIES**

A person who is not a party to this agreement has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce any term of this agreement. Nothing in this clause 4 affects any right or remedy of a third party which exists or is available apart from the Third Parties Act.

5. **GENERAL**

- 5.1 Each party shall from time to time do all such acts and execute all such documents as may be reasonably necessary in order to give effect to the provisions of this agreement.
- 5.2 This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this agreement, but all the counterparts shall together constitute the same agreement.
- 5.3 No amendment shall be made to this agreement save by instrument in writing signed by all the parties.
- 5.4 This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 5.5 Each party acknowledge that the other parties may be irreparably harmed by any breach of the terms of this agreement and that damages may not necessarily be an adequate remedy. Accordingly, a non-breaching party shall be entitled to seek the remedies of final or interim injunction, specific performance and other equitable relief, or any combination of these remedies, for any potential or actual breach of its terms in addition to all other remedies available at law or in equity.

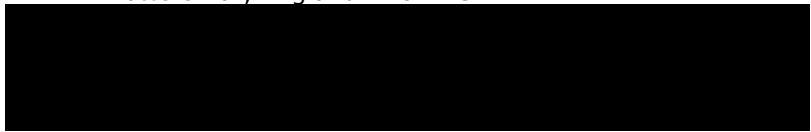
6. **NOTICES**

- 6.1 A notice under or in connection with this agreement (a "**Notice**") shall be:
 - (a) in writing;
 - (b) in the English language; and
 - (c) delivered personally or sent by first class post pre-paid recorded delivery (and air mail if overseas) or by email to the party due to receive the Notice at the address specified in Clause 8.2 (or to another address specified by that party by not less than seven days' written notice to the other party).
- 6.2 The address referred to in clause 6.1(c) is:

in the case of **Sheikh Ventures** to:

Address: 1st Floor
Metropolitan House
Darkes Lane
Potters Bar, England EN6 1AG

Email:



in the case of **Kensington and Belgravia** to:

Address: Granary House
The Grange
St Peter Port
Guernsey
Channel Islands GY1 2QG

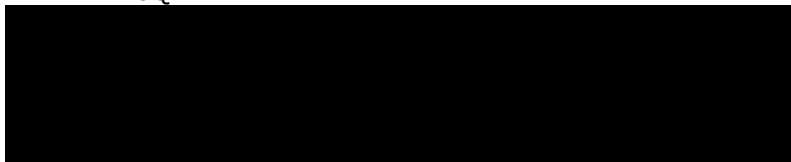
Email:



in the case of **Bidco** to:

Address: 25a Soho Square
London
United Kingdom
W1D 3QR

Email:



6.3 A party may change its notice details on giving notice to the other party of the change in accordance with clauses 6.1, 6.2 and 6.4.

6.4 Unless there is evidence that it was received earlier, a Notice is deemed given:

- (a) if delivered personally, when left at the address referred to in clause 6.2;
- (b) if sent by post, except air mail, two Business Days after posting it;
- (c) if sent by air mail, six Business Days after posting it;
- (d) if sent by fax, when confirmation of its error free transmission has been recorded by the sender's fax machine; or
- (e) if sent by email, when sent.

Any Notice sent outside of the hours of 9.00 a.m. to 5.30 p.m. shall be deemed to be given at the start of the next Business Day.

7. **GOVERNING LAW AND DISPUTE RESOLUTION**

7.1 This Agreement and any non-contractual obligations arising out of or in connection with this agreement shall be governed by and construed in accordance with English law.

7.2 The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this agreement (a "**Dispute**") including a dispute regarding the existence, validity or termination of this agreement or relating to any non-contractual or other

obligation or matter arising out of or in connection with this agreement or the consequences of its nullity.

7.3 The parties agree that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that they will not argue to the contrary.

IN WITNESS whereof this agreement has been executed on the date first above written.

SCHEDULE 1

Founder Group member	Ordinary shares of £0.005 each in the Target	No. of Loan Notes
Sheikh Ventures Limited	1,392,145	10,441,088
Belgravia Investments Limited	4,648,932	34,866,990
Kensington Capital Limited	4,648,932	34,866,990

SIGNATURE PAGE

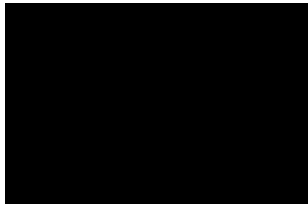
Signed by **Farouq Sheikh**)
)
for and on behalf of **SHEIKH VENTURES**)
LIMITED:)



Signed by **HMSL SERVICES LIMITED**)
)
as corporate directors of **BELGRAVIA**)
INVESTMENTS LIMITED:)

Signed by **HMSL SERVICES LIMITED**)
)
as corporate directors of **KENSINGTON**)
CAPITAL LIMITED:)

Signed by **Farouq Sheikh**)
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for and on behalf of **AMALFI BIDCO**)
LIMITED:)



SIGNATURE PAGE

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