

**THIS INSTRUMENT** by way of **DEED POLL** is executed on 24 December 2021 by Electric Guitar plc (incorporated and registered in England and Wales under company number 13288812) the registered office of which is at The Anchorage, 4th Floor, 34 Bridge Street, Reading, Berkshire, England, RG1 2LU (**Company**).

**WHEREAS**

- (A) The Company has, by resolution of its board of Directors passed on or around the date of this Instrument, agreed to issue A-Series Warrants to certain existing directors of the Company to subscribe in cash for Ordinary Shares.
- (B) The Company has accordingly determined to execute this instrument by way of deed poll in order more particularly to define the rights and interest of the registered holders for the time being of such A-Series Warrants and to afford protection for such rights and interest.

**IT IS AGREED AS FOLLOWS**

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this instrument the following words and expressions shall bear the meanings set opposite them:

<b>A-Series Warrants:</b>	A-series warrants to subscribe for up to 5,786,278 Ordinary Shares which are subject to the vesting provisions set out in <b>clause 4</b> ;
<b>Admission:</b>	admission of the entire issued and to be issued share capital of the Company to the Official List by way of a standard listing under Chapter 14 of the Listing Rules published by the FCA as amended from time to time and to trading on the Main Market;
<b>Admission Date:</b>	the date on which Admission occurs;
<b>Articles:</b>	the articles of association of the Company, as amended from time to time;
<b>Business Day:</b>	a day (not being a Saturday or Sunday) on which banks are generally open for business in London;
<b>Certificate:</b>	a certificate evidencing the Subscription Rights for the time being vested in the relevant Warranholder in the form, or substantially in the form, set out in <b>Schedule 1</b> ;
<b>Directors:</b>	the board of directors of the Company from time to time;
<b>Final Exercise Date:</b>	the seventh anniversary of the Admission Date;
<b>First Exercise Date:</b>	the first anniversary of the Admission Date;
<b>Fifth Exercise Date:</b>	the fifth anniversary of the Admission Date;
<b>Fourth Exercise Date:</b>	the fourth anniversary of the Admission Date;
<b>London Stock</b>	
<b>Exchange:</b>	London Stock Exchange plc;
<b>Notice of Exercise:</b>	the duly completed notice set out as the first schedule to the Certificate;
<b>Ordinary Shares:</b>	ordinary shares of £0.005 each in the capital of the Company and all other (if any) securities resulting from any sub-division, consolidation or re-classification of the ordinary shares having the rights and privileges set out in the Articles;
<b>Placing:</b>	the conditional placing with institutional and other investors of the Placing Shares by Axis Capital Markets Limited pursuant to the terms of a placing agreement entered into between Axis Capital Markets Limited, the directors of the Company and the Company on or around the date of this Instrument;

- Placing Price:** the price of 3 pence per Placing Share;
- Placing Shares:** the 40,000,000 new Ordinary Shares to be allotted and issued pursuant to the Placing and any one of them a **Placing Share**;
- Register:** the register of persons for the time being entitled to the benefit of the A-Series Warrants to be maintained pursuant to the provisions of **clause 10**;
- Second Exercise Date:** the second anniversary of the Admission Date;
- Subscription Period:** the period from the First Exercise Date until the earlier of the date that no further Subscription Rights are exercisable or the Final Exercise Date;
- Subscription Price:** the price per share which the relevant Warrantholder is required to pay to the Company on subscribing for a Warrant Share upon exercising any Subscription Rights in relation thereto and being, subject to **clause 6**, 4.5 pence per Warrant Share (which is equal to 150 per cent. of the Placing Price);
- Subscription Rights:** the rights for the time being conferred by the A-Series Warrants to subscribe for Warrant Shares which are constituted by virtue of the provisions of **clause 2.1** of this Instrument;
- UK MAR:** Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) as it applies in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018;
- Third Exercise Date:** the third anniversary of the Admission Date;
- Warrantholder:** in relation to a A-Series Warrant the person who is a director of the Company (either an executive or non-executive director of the Company) or any other person as determined by the Company from time to time and in whose name such A-Series Warrant is registered for the time being in the Register; and
- Warrant Shares:** Ordinary Shares to be issued pursuant to the terms of any A-Series Warrants vested in accordance with **clause 4**.

- 1.2 Words and expressions defined in the Articles shall, unless otherwise defined in this Instrument have the same meaning when used in this Instrument.
- 1.3 Headings are inserted for convenience only and shall be ignored in the interpretation of this Instrument.
- 1.4 In this Instrument, unless the context otherwise requires:
- 1.4.1 references to clauses, paragraphs and schedules are to be construed as references to the clauses and paragraphs of, and schedules to, this Instrument and references to this Instrument include its schedules;
- 1.4.2 reference to (or to any specified provision of) this Instrument or any other document or instrument shall be construed as a reference to this Instrument, that provision or that document or instrument as in force for the time being and as amended in accordance with the terms thereof and (where such consent is required by the terms of this Instrument as a condition to such amendment being made) the prior written sanction of a majority of the Warrantholders (in terms of Warrant Shares to which they are entitled);
- 1.4.3 references to a person shall be construed as including references to an individual, firm, company, corporation or unincorporated body of persons;
- 1.4.4 references to the singular shall include the plural and vice versa; and
- 1.4.5 references to statutory provisions shall be construed as references to those provisions as replaced, amended or re-enacted from time to time.

## 2. CONSTITUTION AND FORM OF THE A-SERIES WARRANTS

- 2.1 Each A-Series Warrant vested in accordance with **clause 4** shall confer the right on the Warrantheader, exercisable on the terms and subject to the conditions contained in this Instrument, to subscribe in cash at the Subscription Price (subject to the provisions of **clause 6**) for one Warrant Share and shall be issued to the Warrantheader or to such persons as the Warrantheader shall direct, provided such person is a person to whom the A-Series Warrants could be transferred in accordance with the provisions of this Instrument.
- 2.2 No application will be made for the A-Series Warrants to be listed or dealt on any recognised investment exchange (as that term is defined in the Financial Services and Markets Act 2000).
- 2.3 The A-Series Warrants are issued subject to the Articles and otherwise on the terms of this Instrument, which are binding upon the Company and each Warrantheader and all persons claiming through or under them.

## 3. CERTIFICATES AND CONDITIONS

- 3.1 Entitlement to the Subscription Rights and other rights attaching to the A-Series Warrants shall be evidenced by the issue to the relevant Warrantheader of a Certificate.

## 4. VESTING OF A-SERIES WARRANTS

- 4.1 Subject to clause 4.2, the A-Series Warrants will vest in accordance with the following table for so long as the Warrantheader continues to be either an executive or non-executive director of the Company and once vested, subject to the A-Series Warrants not having previously lapsed in accordance with the terms of this Instrument), shall be capable of being exercised by the Warrantheader at any time during the Subscription Period in accordance with **clause 5** of this Instrument (but in no circumstances in respect of a fraction of a Warrant Share):

DATE OF VESTING	NUMBER OF A-SERIES WARRANTS WHICH WILL VEST
The First Exercise Date	719,813 (the <b>First Year Vested Warrants</b> )
The Second Exercise Date	719,813 (the <b>Second Year Vested Warrants</b> )
The Third Exercise Date	719,813 (the <b>Third Year Vested Warrants</b> )
The Fourth Exercise Date	719,813 (the <b>Fourth Year Vested Warrants</b> )
The Fifth Exercise Date	719,812 (the <b>Fifth Year Vested Warrants</b> )

- 4.2 The Company will issue 3,599,064 A-Series Warrants to Warrantheaders immediately following Admission (the **Allocated Warrants**) and the Allocated Warrants are subject to the vesting provisions set out in clause 4.1 of this Instrument. In relation to the remaining 2,187,214 A-Series Warrants that may be issued at any time after Admission (the **Unallocated Warrants**), the Directors, subject to the approval of the Company's Remuneration Committee (if such a committee has been put in place by the Company after the date of this Instrument), shall have the power (but no obligation) to specify, in any resolution to issue such Unallocated Warrants, alternative vesting and/or exercise provisions which shall apply to all or any of such Unallocated Warrants and which may be different from the vesting and exercise provisions set out in clauses 4.1 and 5.2 of this Instrument.

## 5. EXERCISE OF A-SERIES WARRANTS

- 5.1 Subject to the A-Series Warrants not having previously lapsed in accordance with the terms of this Instrument, the exercise of Subscription Rights shall be effected in accordance with the terms of this clause 5 to the extent the A-Series Warrants have vested in accordance with the provisions of clause 4 of this Instrument.
- 5.2 As regards the Allocated Warrants, Subscription Rights may be exercised by the Warrantholder as follows:
- 5.2.1 Subscription Rights over the First Year Vested Warrants may be exercised by the Warrantholder during the Subscription Period at any time after the First Exercise Date;
  - 5.2.2 Subscription Rights over the Second Year Vested Warrants may be exercised by the Warrantholder during the Subscription Period at any time after the Second Exercise Date;
  - 5.2.3 Subscription Rights over the Third Year Vested Warrants may be exercised by the Warrantholder during the Subscription Period at any time after the Third Exercise Date;
  - 5.2.4 Subscription Rights over the Fourth Year Vested Warrants may be exercised by the Warrantholder during the Subscription Period at any time after the Fourth Exercise Date; and
  - 5.2.5 Subscription Rights over the Fifth Year Vested Warrants may be exercised by the Warrantholder during the Subscription Period at any time after the Fifth Exercise Date.

For the avoidance of doubt, the Warrantholder may exercise his Subscription Rights over any A-Series Warrants which have vested in accordance with the provisions of clause 4 of this Instrument but remain unexercised after the Fifth Exercise Date at any time during the period between the Fifth Exercise Date and the Final Exercise Date subject to the A-Series Warrants not having previously lapsed in accordance with the terms of this Instrument. The provisions of this clause 5.2 shall apply to the Unallocated Warrants unless alternative vesting and exercise provisions are specified by the Directors upon the issue of such Unallocated Warrants in accordance with the provisions of clause 4.2.

- 5.3 Exercise of Subscription Rights over the A-Series Warrants which have vested in accordance with the provisions of clause 4 of this Instrument shall be effected by the delivery to the Company's registered office (during normal business hours on a Business Day, and if not so delivered, shall be deemed to be delivered on the next following Business Day) of the original Certificate, a duly completed Notice of Exercise and the requisite remittance (rounded up to the nearest whole penny) for the aggregate Subscription Price of the Warrant Shares in respect of which vested Subscription Rights are being exercised.
- 5.4 Once lodged, a Notice of Exercise will be irrevocable except with the consent of the Company.
- 5.5 Payment of the aggregate Subscription Price payable for the Ordinary Shares in respect of which A-Series Warrants are being exercised must be made: (i) by electronic funds transfer to the Company's bank account as notified to the Warrantholder; or (ii) by such other method as the Company and the Warrantholder may agree.
- 5.6 The date of the allotment and issue of any Warrant Shares and entry of the Warrantholder's name in the Company's register of members (subject to a Notice of Exercise being delivered in accordance with **clause 5.1**) shall be the date of delivery of the Certificate, or receipt by the Company of the aggregate Subscription Price (as the case may be), whichever is the later, provided such date is a Business Day and if not a Business Day, the next following Business Day.

- 5.7 Within five Business Days of delivery to the Company of a valid Notice of Exercise for less than the number of A-Series Warrants the Warrantheader holds, as evidenced by the accompanying Certificate, the Company will issue the Warrantheader (free of charge) with a new Certificate for the number of A-Series Warrants not exercised and which remain exercisable subject to the vesting provisions in clause 4 of this Instrument.
- 5.8 Five Business Days after the Certificate (with such valid Notice of Exercise duly completed and accompanied by the requisite remittance for the aggregate Subscription Price of the Warrant Shares) is lodged at the registered office of the Company in accordance with **clause 5.1**, the Company shall procure that, as directed in the relevant Notice of Exercise, either: (i) a share certificate shall be issued (free of charge) to the relevant Warrantheader, or (ii) the CREST stock account nominated by the Warrantheader shall be credited, in respect of the Warrant Shares which have been subscribed for pursuant to such Notice of Exercise.
- 5.9 Each A-Series Warrant vested pursuant to the provisions of clause 4 of this Instrument will immediately be cancelled once the Subscription Right attaching thereto has been exercised and a Warrant Share allotted pursuant to such exercise in accordance with the terms of this Instrument.
- 5.10 Warrant Shares allotted will rank for all dividends and distributions declared and having a record date on or after the Business Day on which the relevant Notice of Exercise is delivered or deemed delivered, provided that the requisite remittance has been received by the Company in accordance with clause 5.1, and otherwise shall have the rights and privileges prescribed in the Articles in relation to Ordinary Shares.
- 5.11 If, at the time of issue of Warrant Shares, the Ordinary Shares (or any of them) are traded on the London Stock Exchange's main market for listed securities or permission has been granted for dealings therein on any other stock exchange in any part of the world, the Company will, not later than three Business Days after the issue of such Warrant Shares, apply to London Stock Exchange plc or any other relevant body for permission to deal in or for quotation or admission of such Warrant Shares (as the case may be) and shall use its reasonable endeavours to secure such permission, quotation or admission, as the case may be.
- 5.12 In the event that the Final Exercise Date falls during a closed period within the meaning of UK MAR, or at a time at which the Warrantheader would be precluded by law from exercising its Subscription Rights, then the Final Exercise Date shall be extended so as to fall on a date which is one calendar month after: (a) the date upon which the Company comes out of the closed period (subject to such one month period not falling within a subsequent closed period); or (b) the date upon which the Warrantheader would otherwise be able to lawfully exercise the Subscription Rights, whichever shall be the later.
- 5.13 Any Subscription Rights not exercised prior to 6:00pm (London time) on the Final Exercise Date will lapse immediately at such time.

## **6. VARIATION OF CAPITAL**

- 6.1 Upon any sub-division or consolidation of the Ordinary Shares on or before the Final Exercise Date, the number and nominal amount of Warrant Shares to be subscribed on any exercise of Subscription Rights subsequent to the sub-division or consolidation will be increased or, as the case may be, reduced in due proportion and the Subscription Price will be respectively decreased or, as the case may be, increased in due proportion and the Subscription Price will be deemed adjusted accordingly with effect from the record date for such sub-division or consolidation in each case so as to ensure that insofar as possible that, after such adjustment:
- 6.1.1 the total number of Warrant Shares which may be subscribed pursuant to the Subscription Rights, is such that Warrant Shares when allotted:
- (a) will carry as nearly as possible (and in any event not less than) the same proportion of the votes as the Warrant Shares carried prior to such adjustment; and
  - (b) will carry the entitlement to participate in the same proportion in the profits and assets of the Company,

as would the total number of Warrant Shares which would have been subscribed for pursuant to the Subscription Rights immediately prior to the event giving rise to such adjustment; and

6.1.2 the aggregate Subscription Price payable in order to subscribe for all the Warrant Shares which may be subscribed pursuant to Subscription Rights will be as nearly as possible (and in any event no more than) the same as it was prior to such adjustment.

Each such adjustment shall take effect immediately after the relevant consolidation and/or subdivision. For the avoidance of doubt, the Subscription Price cannot be adjusted below the nominal value of a Warrant Share.

6.2 On any such sub-division or consolidation, the auditors for the time being of the Company shall report (at the Company's cost) that in their opinion the appropriate adjustments have been made, and within 14 days thereof (save to the extent that the A-Series Warrants have lapsed or been exercised in the meantime), notice will be sent to each Warrantholder thereof together with a new Certificate in consequence of such adjustment, fractional entitlements being ignored.

6.3 If, on a date (or by reference to a record date) before the end of the Subscription Period, the Company makes any offer or invitation (whether by rights issue, open offer or otherwise but not being an offer or invitation to which **clause 7** applies) to the holders of Ordinary Shares or any offer or invitation (not being an offer or invitation to which **clause 7** applies) is made to the holders of the Ordinary Shares in connection with a scheme of arrangement under Parts 26 to 28 of the Companies Act 2006, then the Company shall, so far as it is reasonably able:

6.3.1 procure that each Warrantholder shall be entitled, at any time whilst such offer or invitation is open for acceptance, and provided always that the Warrantholder shall deliver the Certificate and remittance for the aggregate Subscription Price, to exercise its Subscription Rights to the extent that such rights have not lapsed or been exercised prior to the record date of such offer so as to take effect as if it had exercised its rights immediately prior to the record date of such offer; and

6.3.2 subject to the Warrantholder taking all required steps to exercise its Subscription Rights in full, procure that a similar offer or invitation is made to Warrantholders as if all outstanding Subscription Rights had been exercised immediately before the record date for that offer.

6.4 If and whenever, on a date (or by reference to a record date) falling on or before the last Business Day of the Subscription Period, the Company issues any fully paid Ordinary Shares by capitalising profits or reserves, including its share premium account or capital redemption reserve fund, other than in lieu of a cash dividend:

6.4.1 the Subscription Price in force immediately before that capitalisation issue shall be adjusted by multiplying it by the aggregate nominal amount of the issued Ordinary Shares immediately before that capitalisation issue and dividing the result by the aggregate nominal amount of the issued Ordinary Shares immediately after that capitalisation issue; or

6.4.2 the number of Warrant Shares to be allotted on any subsequent exercise of a A-Series Warrant shall be adjusted by multiplying the number to be allotted on an exercise of a A-Series Warrant immediately before that issue by the former Subscription Price and dividing the result by the adjusted Subscription Price.

Each such adjustment shall take effect immediately after the relevant capitalisation issue. For these purposes, Ordinary Shares which are treasury shares shall not be regarded as issued Ordinary Shares.

6.5 Any question arising in relation to any variation of capital pursuant to this clause shall be referred for determination to the auditors for the time being of the Company but if they are unwilling or unable to make a determination, the matter shall be referred to an expert, being a firm of chartered accountants agreed between the Company and the Warrantholders or in default of agreement being reached within 14 days of any asking such expert be appointed at the instance of the president or next available officer for the time being of the Institute of Chartered Accountants in England and Wales on request from either the Company and the Warrantholders, to which the following provisions shall apply:

- 6.5.1 the costs of the expert shall be borne as to 50% by the Company and 50% by the Warranholders (or in such other proportions as the expert may direct);
- 6.5.2 the expert shall be deemed to act as an expert and not an arbitrator;
- 6.5.3 the determination of the expert shall, in the absence of manifest error be final and binding on all concerned; and
- 6.5.4 the expert shall be given by the Company and the Warranholder all such information and other assistance as he may reasonably require.

## **7. TAKEOVERS & LAPSE OF A-SERIES WARRANTS**

- 7.1 If at any time prior to the end of the Subscription Period an offer or invitation is made by the Company to the holders of the Ordinary Shares for the purchase by the Company of any of its Ordinary Shares, the Company shall simultaneously give notice thereof to each Warranholder who shall be entitled, at any time whilst such offer or invitation is open for acceptance, to exercise its Subscription Rights under the A-Series Warrant to the extent that such rights have not been exercised or lapsed prior to the record date of such offer or invitation so as to take effect, in so far as is reasonably practicable, as if it had exercised its rights immediately prior to the record date of such offer or invitation.
- 7.2 If at any time an offer is made to all holders of Ordinary Shares (or all holders of Ordinary Shares other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued share capital of the Company and the Company becomes aware that as a result of such offer the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such persons or companies as aforesaid:
  - 7.2.1 the Company shall give notice to each Warranholder within five Business Days of its becoming so aware, and each Warranholder shall be entitled, subject to **clause 7.5**, for a period of six months from the date of such notice, to exercise its Subscription Rights under the A-Series Warrant to the extent that such rights have not lapsed or been exercised prior to the record date of such offer so as to take effect (as between the Company and the Warranholder) as if it had exercised its rights immediately prior to the record date of such offer; and
  - 7.2.2 the Company shall use reasonable endeavours to procure that a similar offer is made to Warranholders (subject to receipt by the Company of the applicable Subscription Price) as if all outstanding Subscription Rights had been exercised immediately before the record date for that offer.
- 7.3 Subject to **clause 7.5**, if any person becomes entitled or bound to acquire Ordinary Shares under Parts 26 to 28 of the Companies Act 2006, the Company shall give notice to the Warranholder of that fact within seven Business Days of becoming aware of it.
- 7.4 If a court directs that a meeting of the holders of Ordinary Shares be convened pursuant to section 896 of the Companies Act 2006 for the purpose of providing for the acquisition by any person of the whole of the issued ordinary share capital of the Company (whether including or excluding treasury shares), then the Company shall give notice of that meeting to the Warranholders at the same time as giving notice of that meeting to the holders of the Ordinary Shares. The Warranholders may, within 10 Business Days of receipt of notice from the Company under **clause 7.2**, exercise their A-Series Warrants (to the extent such rights have not previously been exercised or lapsed prior to the date of such notice) under **clause 4**, conditionally upon the scheme of arrangement being approved by the holders of the Ordinary Shares and sanctioned by the court, any such exercise to occur prior to the date on which the meeting of the holders of the Ordinary Shares is convened to be held, on the terms applicable on the day immediately preceding the date on which the Company gave notice of such meeting. The Company shall ensure that where the Warranholder has conditionally exercised his A-Series Warrants (including receipt by the Company of the relevant Subscription Price), the scheme of arrangement shall, so far as it relates to Ordinary Shares, be extended to the Warranholder as if each Ordinary Share to which the Warranholder would have been entitled on exercise of its A-Series Warrants had been issued to it by that time. If any such exercise of the A-Series Warrants does not

become unconditional, it shall be null and void, the Company shall return all documentation and subscription monies to the Warrantholder and all A-Series Warrants shall continue to be exercisable. If any such scheme of arrangement is approved by the holders of the Ordinary Shares and sanctioned by the court, all A-Series Warrants shall lapse on the date on which the scheme of arrangement is so sanctioned.

7.5 The A-Series Warrants shall, to the extent not previously exercised, lapse on the earlier of:

7.5.1 the Warrantholder ceases to be employed or engaged by the Company (or any other member of its group); and

7.5.2 the expiry of the period of 30 days immediately following the date on which the general offer in question under this **clause 7** shall have become or been declared to have become unconditional as to acceptances; and

7.5.3 the Business Day falling 28 days after a person becomes entitled or bound to acquire Ordinary Shares under Parts 26 to 28 of the Companies Act 2006,

and if any part of that 30 days' or (as the case may be) 28 days' period falls after the end of the Subscription Period, the Subscription Period shall be deemed extended so as to end on the last day of that 30 days' period or (as the case may be) that 28 days' period.

7.6 Nothing in these conditions operates to prevent the Company purchasing any of its Ordinary Shares for the time being in issue on such terms as it may think expedient or requires the sanction of any special resolution of the Warrantholders for any such purchase.

## **8. SUPPLEMENTARY PROTECTION**

8.1 At all times prior to the end of the Subscription Period, the Company shall ensure that has all necessary authorities as may be required to satisfy in full and in accordance with the terms hereof all Subscription Rights remaining exercisable.

## **9. TRANSFER AND TRANSMISSION OF A-SERIES WARRANTS**

9.1 The Company shall maintain a register of persons entitled to the A-Series Warrants.

9.2 The Warrantholder may not:

9.2.1 sell, transfer, grant any option over or otherwise dispose of any of the A-Series Warrants or any interest in any of the A-Series Warrants; or

9.2.2 create any trust or encumbrance over any of the A-Series Warrants or any interest in any of the A-Series Warrants,

without (in any such case) the prior written consent of the Company.

9.3 Subject to clause 9.2, a A-Series Warrant may be transferred by an instrument of transfer in any usual or common form, or in any other manner (in writing) which may be approved by the Directors. No transfer of a right to subscribe for a fraction of a share may be effected.

9.4 Subject as aforesaid, the provisions of the Articles regarding transmission of Ordinary Shares shall apply *mutatis mutandis* to transmission of A-Series Warrants.

9.5 The Company and its subsidiaries shall have the right to purchase A-Series Warrants in the market or by tender or by private treaty in either case at any price as may be agreed with the Warrantholder. If the A-Series Warrant(s) are so purchased by the Company they shall forthwith be cancelled and shall not be available for reissue or resale.

## **10. MODIFICATION OF RIGHTS**

10.1 Any modification to this Instrument may be effected only by deed poll executed by the Company and, save in the case of a modification of a purely formal, minor or technical nature, with the prior sanction of a special resolution of the Warrantholders.

- 10.2 All or any of the rights for the time being attaching to the A-Series Warrants (including the Subscription Rights) may from time to time (whether or not the Company is being wound up) be altered or abrogated with the prior sanction of a special resolution of the Warrantholders.
- 10.3 All the provisions of the Articles as to general meetings of the Company apply, with the necessary adaptation being made, to any separate meeting of the Warrantholders as though the A-Series Warrants were a class of shares forming part of the Company and as if such provisions were expressly set out in this document but so that:
- 10.3.1 the necessary quorum is the Warrantholders, present in person or by proxy, entitled to subscribe for one third in nominal amount of the Ordinary Shares subject to outstanding A-Series Warrants;
- 10.3.2 every Warrantholder of an outstanding A-Series Warrant present in person at any such meeting will be entitled on a show of hands to one vote and every such holder present in person or by proxy at any such meeting is entitled on a poll to one vote for every Ordinary Share for which he is entitled to subscribe pursuant to the A-Series Warrants;
- 10.3.3 any Warrantholder or Warrantholders holding 10 per cent. or more of the aggregate outstanding A-Series Warrants present in person or by proxy may demand or join in demanding a poll; and
- 10.3.4 if at any adjourned meeting a quorum as above defined is not present, those Warrantholders of outstanding A-Series Warrants who are then present in person or by proxy are a quorum.
- 10.4 The consent in writing of any or all Warrantholders entitled to subscribe for not fewer than 75 per cent of the Warrant Shares which are subject to outstanding A-Series Warrants shall have the same effect as a special resolution of the Warrantholders.

## **11. INFORMATION AND REPRESENTATION RIGHTS OF WARRANTHOLDERS**

- 11.1 The Company shall send or procure to be sent to each Warrantholder a copy of its annual report together with all documents required by law to be annexed thereto and copies of every statement, notice or circular issued to the members of the Company concurrently with the issue of the same to its members.
- 11.2 Warrantholders shall have the right to attend and speak (but not, by virtue or in respect solely of holdings of A-Series Warrants, to vote) at all meetings of members of the Company at which any business is to be moved which has any effect (actually or reasonably foreseeable) on the Subscription Rights attaching to the A-Series Warrants.
- 11.3 Concurrently with the Company's notification to the London Stock Exchange concerning the declaration of any dividends the Company shall notify the Warrantholders of the same.

## **12. REPLACEMENT OF CERTIFICATES**

If a Certificate is mutilated, defaced, lost, stolen or destroyed it will be replaced at the registered office of the Company upon payment by the relevant Warrantholder of such costs as may be reasonably incurred in connection therewith and on such terms as to evidence and indemnity as the Company may reasonably require. The mutilated or defaced certificate (if applicable) must be surrendered before a replacement will be issued.

## **13. NOTICES**

The provisions of the Articles regarding notices to be given to holders of Ordinary Shares shall apply *mutatis mutandis* to notices to be given to Warrantholders.

## **14. GOVERNING LAW**

The provisions of this Instrument shall be subject to and governed by English law and the courts of England and Wales shall have exclusive jurisdiction for the resolution of any claim or matter arising under or in connection with this Instrument.

**IN WITNESS WHEREOF** this Instrument has been executed as a deed and shall be deemed to be effective when dated.

**EXECUTED** as a **DEED** by )  
**Electric Guitar plc** ) .....  
acting by John Regan ) (Director)

and in the presence of:

*Witness Signature:* .....  
.....

*Witness Name:* .....  
.....

*Witness Address:* .....  
.....

*Witness Occupation:* .....  
.....

**Electric Guitar plc**

(Incorporated in England and Wales with registered number 13288812)

**CERTIFICATE REPRESENTING A-SERIES WARRANTS**

to subscribe for Ordinary Shares at £0.005 per Ordinary Share

Certificate No.: [1/2]  
Date of Issue: [insert date]  
Name and address of Warrantholder: [name and address of director]  
Number of A-Series Warrants comprised in this Certificate: [insert number]

Constituted pursuant to an instrument of deed poll dated [insert date] (the **Instrument**).

**THIS IS TO CERTIFY** that, subject to the vesting provisions set out in clause 4 of this Instrument, the Warrantholder named above is the registered holder of the right to subscribe during the period stated in the Instrument in cash at the Subscription Price set out above for one Warrant Share in respect of each A-Series Warrant vested pursuant to clause 4 of this Instrument and held (subject to adjustment in accordance with **clause 5** of the Instrument and subject to the Articles and otherwise on the terms and conditions set out in the said Instrument).

The A-Series Warrants to subscribe for Warrant Shares are constituted by the Instrument. Constitution of the A-Series Warrants and execution of the Instrument by the Company was authorised by a resolution of the board of directors of the Company passed on [insert date]. The A-Series Warrants are subject to the provisions of the Instrument. Copies of the Instrument are available for inspection at the registered office for the time being of the Company during normal business hours on Business Days. The Warrantholder is entitled to the benefit of, is bound by, and is deemed to have knowledge of, all the provisions of the Instrument.

Executed and delivered as a Deed by

**Electric Guitar plc**

acting by:

.....  
[insert name] Director

.....  
[insert name] Director / Secretary

**SCHEDULE TO THE CERTIFICATE**

**Notice of Exercise**

To: The Directors  
Electric Guitar plc  
The Anchorage  
4th Floor, 34 Bridge Street  
Reading, Berkshire  
England  
RG1 2LU

I hereby exercise the Subscription Rights over *[insert number]* of the Ordinary Shares the subject of *[insert number]* of the A-Series Warrant(s) represented by this Certificate which have vested in accordance with clause 4 of this Instrument. I have arranged for a bank transfer for £*[insert amount]*, being the aggregate Subscription Price payable in respect of the Subscription Rights I am exercising.

Signed: .....

Full Name: *[Insert name of director]*

Address: *[insert address of director]*

[I hereby request that a certificate for the Warrant Shares be issued and sent by post at our risk to me at the following address:

Address: *[insert address]*

I agree that such Ordinary Shares are acceptable subject to the Articles.]

Signed: .....

Full Name: *[Insert name here]*

Address: *[Alexander David Securities Limited/Axis Capital Markets Limited]*  
*[insert address]*

**OR**

[I hereby request that you register my/our Warrant Shares in uncertificated form to the CREST account detailed below:

**CREST Details**

Participant ID: *[participant ID to be inserted by director]*

Member Account ID: *[member account ID to be inserted by director]*

Custodian Name: *[custodian name to be inserted by director]*

I agree that such Ordinary Shares are acceptable subject to the Articles.

Signed: .....

Full Name: *[Insert name of director]*

Address: *[insert address of director]*

**THIS INSTRUMENT** by way of **DEED POLL** is executed on 24 December 2021 by Electric Guitar plc (incorporated and registered in England and Wales under company number 13288812) the registered office of which is at The Anchorage, 4th Floor, 34 Bridge Street, Reading, Berkshire, England, RG1 2LU (**Company**).

**WHEREAS**

- (A) The Company has, by resolution of its board of Directors passed on or around the date of this Instrument, agreed to issue B-Series Warrants to subscribe in cash for Ordinary Shares.
- (B) The Company has accordingly determined to execute this instrument by way of deed poll in order more particularly to define the rights and interest of the registered holders for the time being of such B-Series Warrants and to afford protection for such rights and interest.

**IT IS AGREED AS FOLLOWS**

**1. DEFINITIONS AND INTERPRETATION**

1.1 In this instrument the following words and expressions shall bear the meanings set opposite them:

- Acquisition:** an acquisition by the Company of a target company or business as part of the Company's overall business objective and strategy, as described in Part I of the prospectus published by the Company in connection with Admission;
- Acquisition Date:** the date on which the Company completes its first Acquisition;
- Admission:** admission of the entire issued and to be issued share capital of the Company to trading on London Stock Exchange plc's main market and to the Official List of the UK Listing Authority by way of a standard listing under Chapter 14 of the Listing Rules published by the Financial Conduct Authority;
- Advisers:** Alexander David Securities Limited, a company incorporated in England and Wales with company number 06015379 whose registered office is at 49 Queen Victoria Street, London, England, EC4N 4SA and Axis Capital Markets Limited, a company incorporated in England and Wales with company number 08133033 whose registered office is at St Clements House, 27 Clements Lane, London, England, EC4N 7AE;
- Articles:** the articles of association of the Company, as amended from time to time;
- B-Series Warrants:** B-series warrants to subscribe for up to 1,157,256 Ordinary Shares;
- Business Day:** a day (not being a Saturday or Sunday) on which banks are generally open for business in London;
- Certificate:** a certificate evidencing the Subscription Rights for the time being vested in the relevant Warrantholder in the form, or substantially in the form, set out in **Schedule 1**;
- Directors:** the board of directors of the Company from time to time;
- Final Exercise Date:** (subject to clause 4.11) the third anniversary of the Acquisition Date;
- First Exercise Date:** the Business Day immediately following the Acquisition Date (which is the date when the Founders cease to be subject to hard lock-in undertakings in respect of their initial founder shareholdings in the Company);
- Founders:** John Regan, Steve Kent, Brian Basham, Jason Batten, John Hutchinson, Axis Capital Markets Limited and Alexander David Securities Ltd;
- London Stock Exchange:** London Stock Exchange plc;
- Notice of Exercise:** the duly completed notice set out as the first schedule to the Certificate;

<b>Ordinary Shares:</b>	ordinary shares of £0.005 each in the capital of the Company and all other (if any) securities resulting from any sub-division, consolidation or re-classification of the ordinary shares having the rights and privileges set out in the Articles;
<b>Placing:</b>	the conditional placing with institutional and other investors of the Placing Shares by Axis Capital Markets Limited pursuant to the terms of a placing agreement entered into between Axis Capital Markets Limited, the directors of the Company and the Company on or around the date of this Instrument;
<b>Placing Price:</b>	the price of 3 pence per Placing Share;
<b>Placing Shares:</b>	the 40,000,000 new Ordinary Shares to be allotted and issued pursuant to the Placing and any one of them a <b>Placing Share</b> ;
<b>Register:</b>	the register of persons for the time being entitled to the benefit of the B-Series Warrants to be maintained pursuant to the provisions of <b>clause 9</b> ;
<b>Subscription Period:</b>	the period from the First Exercise Date until the earlier of the date that no further Subscription Rights are exercisable or the Final Exercise Date;
<b>Subscription Price:</b>	the price per share which the relevant Warrantholder is required to pay to the Company on subscribing for a Warrant Share, fully paid, upon exercising any Subscription Rights in relation thereto and being, subject to <b>clause 5</b> , 4.5 pence per Warrant Share (which is equal to 150 per cent. of the Placing Price);
<b>Subscription Rights:</b>	the rights for the time being conferred by the B-Series Warrants to subscribe for Warrant Shares which are constituted by virtue of the provisions of <b>clause 2.1</b> of this Instrument;
<b>UK MAR:</b>	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) as it applies in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018;
<b>Warrantholder:</b>	in relation to a B-Series Warrant the person in whose name such B-Series Warrant is registered for the time being in the Register; and
<b>Warrant Shares:</b>	Ordinary Shares to be issued pursuant to the terms of the B-Series Warrants.

- 1.2 Words and expressions defined in the Articles shall, unless otherwise defined in this Instrument have the same meaning when used in this Instrument.
- 1.3 Headings are inserted for convenience only and shall be ignored in the interpretation of this Instrument.
- 1.4 In this Instrument, unless the context otherwise requires:
  - 1.4.1 references to clauses, paragraphs and schedules are to be construed as references to the clauses and paragraphs of, and schedules to, this Instrument and references to this Instrument include its schedules;
  - 1.4.2 reference to (or to any specified provision of) this Instrument or any other document or instrument shall be construed as a reference to this Instrument, that provision or that document or instrument as in force for the time being and as amended in accordance with the terms thereof and (where such consent is required by the terms of this Instrument as a condition to such amendment being made) the prior written sanction of a majority of the Warrantholders (in terms of Warrant Shares to which they are entitled);
  - 1.4.3 references to a person shall be construed as including references to an individual, firm, company, corporation or unincorporated body of persons;
  - 1.4.4 references to the singular shall include the plural and vice versa; and

1.4.5 references to statutory provisions shall be construed as references to those provisions as replaced, amended or re-enacted from time to time.

## **2. CONSTITUTION AND FORM OF THE B-SERIES WARRANTS**

- 2.1 Each B-Series Warrant shall confer the right on the Warrantholder, exercisable on the terms and subject to the conditions contained in this Instrument, to subscribe in cash at the Subscription Price (subject to the provisions of **clause 5**) for one Warrant Share and shall be issued to the Warrantholder or to such persons as the Warrantholder shall direct, provided such person is a person to whom the B-Series Warrants could be transferred in accordance with the provisions of this Instrument.
- 2.2 No application will be made for the B-Series Warrants to be listed or dealt on any recognised investment exchange (as that term is defined in the Financial Services and Markets Act 2000).
- 2.3 The B-Series Warrants are issued subject to the Articles and otherwise on the terms of this Instrument, which are binding upon the Company and each Warrantholder and all persons claiming through or under them.

## **3. CERTIFICATES AND CONDITIONS**

- 3.1 Entitlement to the Subscription Rights and other rights attaching to the B-Series Warrants shall be evidenced by the issue to the relevant Warrantholder of a Certificate.

## **4. EXERCISE OF B-SERIES WARRANTS**

- 4.1 Subscription Rights shall be exercisable at any time during the Subscription Period in whole or in part or parts (but in no circumstances in respect of a fraction of a Warrant Share).
- 4.2 Exercise of Subscription Rights shall be effected by the delivery to the Company's registered office (during normal business hours on a Business Day, and if not so delivered, shall be deemed to be delivered on the next following Business Day) of the original Certificate, a duly completed Notice of Exercise and the requisite remittance (rounded up to the nearest whole penny) for the aggregate Subscription Price of the Warrant Shares in respect of which Subscription Rights are being exercised.
- 4.3 Once lodged, a Notice of Exercise will be irrevocable except with the consent of the Company.
- 4.4 Payment of the aggregate Subscription Price payable for the Ordinary Shares in respect of which B-Series Warrants are being exercised must be made: (i) by electronic funds transfer to the Company's bank account as notified to the Warrantholder; or (ii) by such other method as the Company and the Warrantholder may agree.
- 4.5 The date of the allotment and issue of any Warrant Shares and entry of the Warrantholder's name in the Company's register of members (subject to a Notice of Exercise being delivered in accordance with **clause 4.2**) shall be the date of delivery of the Certificate, or receipt by the Company of the aggregate Subscription Price (as the case may be), whichever is the later, provided such date is a Business Day and if not a Business Day, the next following Business Day.
- 4.6 Within five Business Days of delivery to the Company of a valid Notice of Exercise for less than the number of B-Series Warrants the Warrantholder holds, as evidenced by the accompanying Certificate, the Company will issue the Warrantholder (free of charge) with a new Certificate for the number of B-Series Warrants not exercised and which remain exercisable.
- 4.7 Five Business Days after the Certificate (with such valid Notice of Exercise duly completed and accompanied by the requisite remittance for the aggregate Subscription Price of the Warrant Shares) is lodged at the registered office of the Company in accordance with **clause 4.2**, the Company shall procure that, as directed in the relevant Notice of Exercise, either: (i) a share certificate shall be issued (free of charge) to the relevant Warrantholder, or (ii) the CREST stock account nominated by the Warrantholder shall be credited, in respect of the Warrant Shares which have been subscribed for pursuant to such Notice of Exercise.
- 4.8 Each B-Series Warrant will immediately be cancelled once the Subscription Right attaching thereto has been exercised and a Warrant Share allotted pursuant to such exercise.

- 4.9 Warrant Shares allotted will rank for all dividends and distributions declared and having a record date on or after the Business Day on which the relevant Notice of Exercise is delivered or deemed delivered, provided that the requisite remittance has been received by the Company in accordance with clause 4.2, and otherwise shall have the rights and privileges prescribed in the Articles in relation to Ordinary Shares.
- 4.10 If, at the time of issue of Warrant Shares, the Ordinary Shares (or any of them) are traded on the London Stock Exchange's main market for listed securities or permission has been granted for dealings therein on any other stock exchange in any part of the world, the Company will, not later than three Business Days after the issue of such Warrant Shares, apply to London Stock Exchange plc or any other relevant body for permission to deal in or for quotation or admission of such Warrant Shares (as the case may be) and shall use its reasonable endeavours to secure such permission, quotation or admission, as the case may be.
- 4.11 In the event that the Final Exercise Date falls during a closed period within the meaning of UK MAR, or at a time at which the Warranholder would be precluded by law from exercising its Subscription Rights, then the Final Exercise Date shall be extended so as to fall on a date which is one calendar month after: (a) the date upon which the Company comes out of the closed period (subject to such one month period not falling within a subsequent closed period); or (b) the date upon which the Warranholder would otherwise be able to lawfully exercise the Subscription Rights, whichever shall be the later.
- 4.12 Any Subscription Rights not exercised prior to 6:00pm (London time) on the Final Exercise Date will lapse immediately at such time.

## **5. VARIATION OF CAPITAL**

- 5.1 Upon any sub-division or consolidation of the Ordinary Shares on or before the Final Exercise Date, the number and nominal amount of Warrant Shares to be subscribed on any exercise of Subscription Rights subsequent to the sub-division or consolidation will be increased or, as the case may be, reduced in due proportion and the Subscription Price will be respectively decreased or, as the case may be, increased in due proportion and the Subscription Price will be deemed adjusted accordingly with effect from the record date for such sub-division or consolidation in each case so as to ensure that insofar as possible that, after such adjustment:
- 5.1.1 the total number of Warrant Shares which may be subscribed pursuant to the Subscription Rights, is such that Warrant Shares when allotted:
- (a) will carry as nearly as possible (and in any event not less than) the same proportion of the votes as the Warrant Shares carried prior to such adjustment; and
  - (b) will carry the entitlement to participate in the same proportion in the profits and assets of the Company,
- as would the total number of Warrant Shares which would have been subscribed for pursuant to the Subscription Rights immediately prior to the event giving rise to such adjustment; and
- 5.1.2 the aggregate Subscription Price payable in order to subscribe for all the Warrant Shares which may be subscribed pursuant to Subscription Rights will be as nearly as possible (and in any event no more than) the same as it was prior to such adjustment.

Each such adjustment shall take effect immediately after the relevant consolidation and/or subdivision. For the avoidance of doubt, the Subscription Price cannot be adjusted below the nominal value of a Warrant Share.

- 5.2 On any such sub-division or consolidation, the auditors for the time being of the Company shall report (at the Company's cost) that in their opinion the appropriate adjustments have been made, and within 14 days thereof (save to the extent that the B-Series Warrants have lapsed or been exercised in the meantime), notice will be sent to each Warranholder thereof together with a new Certificate in consequence of such adjustment, fractional entitlements being ignored.

- 5.3 If, on a date (or by reference to a record date) before the end of the Subscription Period, the Company makes any offer or invitation (whether by rights issue, open offer or otherwise but not being an offer or invitation to which **clause 6** applies) to the holders of Ordinary Shares or any offer or invitation (not being an offer or invitation to which **clause 6** applies) is made to the holders of the Ordinary Shares in connection with a scheme of arrangement under Parts 26 to 28 of the Companies Act 2006, then the Company shall, so far as it is reasonably able:
- 5.3.1 procure that each Warrantholder shall be entitled, at any time whilst such offer or invitation is open for acceptance, and provided always that the Warrantholder shall deliver the Certificate and remittance for the aggregate Subscription Price, to exercise its Subscription Rights to the extent that such rights have not lapsed or been exercised prior to the record date of such offer so as to take effect as if it had exercised its rights immediately prior to the record date of such offer; and
- 5.3.2 subject to the Warrantholder taking all required steps to exercise its Subscription Rights in full, procure that a similar offer or invitation is made to Warrantholders as if all outstanding Subscription Rights had been exercised immediately before the record date for that offer.
- 5.4 If and whenever, on a date (or by reference to a record date) falling on or before the last Business Day of the Subscription Period, the Company issues any fully paid Ordinary Shares by capitalising profits or reserves, including its share premium account or capital redemption reserve fund, other than in lieu of a cash dividend:
- 5.4.1 the Subscription Price in force immediately before that capitalisation issue shall be adjusted by multiplying it by the aggregate nominal amount of the issued Ordinary Shares immediately before that capitalisation issue and dividing the result by the aggregate nominal amount of the issued Ordinary Shares immediately after that capitalisation issue; or
- 5.4.2 the number of Warrant Shares to be allotted on any subsequent exercise of a B-Series Warrant shall be adjusted by multiplying the number to be allotted on an exercise of a B-Series Warrant immediately before that issue by the former Subscription Price and dividing the result by the adjusted Subscription Price.

Each such adjustment shall take effect immediately after the relevant capitalisation issue. For these purposes, Ordinary Shares which are treasury shares shall not be regarded as issued Ordinary Shares.

- 5.5 Any question arising in relation to any variation of capital pursuant to this clause shall be referred for determination to the auditors for the time being of the Company but if they are unwilling or unable to make a determination, the matter shall be referred to an expert, being a firm of chartered accountants agreed between the Company and the Warrantholders or in default of agreement being reached within 14 days of any asking such expert be appointed at the instance of the president or next available officer for the time being of the Institute of Chartered Accountants in England and Wales on request from either the Company and the Warrantholders, to which the following provisions shall apply:
- 5.5.1 the costs of the expert shall be borne as to 50% by the Company and 50% by the Warrantholders (or in such other proportions as the expert may direct);
- 5.5.2 the expert shall be deemed to act as an expert and not an arbitrator;
- 5.5.3 the determination of the expert shall, in the absence of manifest error be final and binding on all concerned; and
- 5.5.4 the expert shall be given by the Company and the Warrantholder all such information and other assistance as he may reasonably require.

## **6. TAKEOVERS**

- 6.1 If at any time prior to the end of the Subscription Period an offer or invitation is made by the Company to the holders of the Ordinary Shares for the purchase by the Company of any of its Ordinary Shares, the Company shall simultaneously give notice thereof to each Warrantholder who shall be entitled, at any time whilst such offer or invitation is open for acceptance, to exercise its Subscription Rights under

the B-Series Warrant to the extent that such rights have not been exercised or lapsed prior to the record date of such offer or invitation so as to take effect, in so far as is reasonably practicable, as if it had exercised its rights immediately prior to the record date of such offer or invitation.

6.2 If at any time an offer is made to all holders of Ordinary Shares (or all holders of Ordinary Shares other than the offeror and/or any company controlled by the offeror and/or persons acting in concert with the offeror) to acquire the whole or any part of the issued share capital of the Company and the Company becomes aware that as a result of such offer the right to cast a majority of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or such persons or companies as aforesaid:

6.2.1 the Company shall give notice to each Warrantholder within five Business Days of its becoming so aware, and each Warrantholder shall be entitled, subject to **clause 6.5**, for a period of six months from the date of such notice, to exercise its Subscription Rights under the B-Series Warrant to the extent that such rights have not lapsed or been exercised prior to the record date of such offer so as to take effect (as between the Company and the Warrantholder) as if it had exercised its rights immediately prior to the record date of such offer; and

6.2.2 the Company shall use reasonable endeavours to procure that a similar offer is made to Warranholders (subject to receipt by the Company of the applicable Subscription Price) as if all outstanding Subscription Rights had been exercised immediately before the record date for that offer.

6.3 Subject to **clause 6.5**, if any person becomes entitled or bound to acquire Ordinary Shares under Parts 26 to 28 of the Companies Act 2006, the Company shall give notice to the Warrantholder of that fact within seven Business Days of becoming aware of it.

6.4 If a court directs that a meeting of the holders of Ordinary Shares be convened pursuant to section 896 of the Companies Act 2006 for the purpose of providing for the acquisition by any person of the whole of the issued ordinary share capital of the Company (whether including or excluding treasury shares), then the Company shall give notice of that meeting to the Warranholders at the same time as giving notice of that meeting to the holders of the Ordinary Shares. The Warranholders may, within 10 Business Days of receipt of notice from the Company under **clause 6.2**, exercise their B-Series Warrants (to the extent such rights have not previously been exercised or lapsed prior to the date of such notice) under **clause 4**, conditionally upon the scheme of arrangement being approved by the holders of the Ordinary Shares and sanctioned by the court, any such exercise to occur prior to the date on which the meeting of the holders of the Ordinary Shares is convened to be held, on the terms applicable on the day immediately preceding the date on which the Company gave notice of such meeting. The Company shall ensure that where the Warrantholder has conditionally exercised his B-Series Warrants (including receipt by the Company of the relevant Subscription Price), the scheme of arrangement shall, so far as it relates to Ordinary Shares, be extended to the Warrantholder as if each Ordinary Share to which the Warrantholder would have been entitled on exercise of its B-Series Warrants had been issued to it by that time. If any such exercise of the B-Series Warrants does not become unconditional, it shall be null and void, the Company shall return all documentation and subscription monies to the Warrantholder and all B-Series Warrants shall continue to be exercisable. If any such scheme of arrangement is approved by the holders of the Ordinary Shares and sanctioned by the court, all B-Series Warrants shall lapse on the date on which the scheme of arrangement is so sanctioned.

6.5 The B-Series Warrants shall, to the extent not previously exercised, lapse on the earlier of:

6.5.1 the expiry of the period of 30 days immediately following the date on which the general offer in question under this **clause 6** shall have become or been declared to have become unconditional as to acceptances; and

6.5.2 the Business Day falling 28 days after a person becomes entitled or bound to acquire Ordinary Shares under Parts 26 to 28 of the Companies Act 2006,

and if any part of that 30 days' or (as the case may be) 28 days' period falls after the end of the Subscription Period, the Subscription Period shall be deemed extended so as to end on the last day of that 30 days' period or (as the case may be) that 28 days' period.

- 6.6 Nothing in these conditions operates to prevent the Company purchasing any of its Ordinary Shares for the time being in issue on such terms as it may think expedient or requires the sanction of any special resolution of the Warranholders for any such purchase.

## **7. SUPPLEMENTARY PROTECTION**

- 7.1 At all times prior to the end of the Subscription Period, the Company shall ensure that has all necessary authorities as may be required to satisfy in full and in accordance with the terms hereof all Subscription Rights remaining exercisable.

## **8. TRANSFER AND TRANSMISSION OF B-SERIES WARRANTS**

- 8.1 The Company shall maintain a register of persons entitled to the B-Series Warrants.

- 8.2 The B-Series Warrants may be transferred in whole or in part to:

8.2.1 the Advisers; and

8.2.2 any shareholders or parent undertaking of the Advisers or any shareholders or subsidiary undertaking of such parent undertaking, from time to time;

and except as aforesaid the B-Series Warrants shall not be transferable.

- 8.3 Subject to clause 8.2, a B-Series Warrant may be transferred by an instrument of transfer in any usual or common form, or in any other manner (in writing) which may be approved by the Directors. No transfer of a right to subscribe for a fraction of a share may be effected.

- 8.4 Subject as aforesaid, the provisions of the Articles regarding transmission of Ordinary Shares shall apply *mutatis mutandis* to transmission of B-Series Warrants.

- 8.5 The Company and its subsidiaries shall have the right to purchase B-Series Warrants in the market or by tender or by private treaty in either case at any price as may be agreed with the Warranholder. If the B-Series Warrant(s) are so purchased by the Company they shall forthwith be cancelled and shall not be available for reissue or resale.

## **9. MODIFICATION OF RIGHTS**

- 9.1 Any modification to this Instrument may be effected only by deed poll executed by the Company and, save in the case of a modification of a purely formal, minor or technical nature, with the prior sanction of a special resolution of the Warranholders.

- 9.2 All or any of the rights for the time being attaching to the B-Series Warrants (including the Subscription Rights) may from time to time (whether or not the Company is being wound up) be altered or abrogated with the prior sanction of a special resolution of the Warranholders.

- 9.3 All the provisions of the Articles as to general meetings of the Company apply, with the necessary adaptation being made, to any separate meeting of the Warranholders as though the B-Series Warrants were a class of shares forming part of the Company and as if such provisions were expressly set out in this document but so that:

9.3.1 the necessary quorum is the Warranholders, present in person or by proxy, entitled to subscribe for one third in nominal amount of the Ordinary Shares subject to outstanding B-Series Warrants;

9.3.2 every Warranholder of an outstanding B-Series Warrant present in person at any such meeting will be entitled on a show of hands to one vote and every such holder present in person or by proxy at any such meeting is entitled on a poll to one vote for every Ordinary Share for which he is entitled to subscribe pursuant to the B-Series Warrants;

9.3.3 any Warranholder or Warranholders holding 10 per cent. or more of the aggregate outstanding B-Series Warrants present in person or by proxy may demand or join in demanding a poll; and

9.3.4 if at any adjourned meeting a quorum as above defined is not present, those Warranholders of outstanding B-Series Warrants who are then present in person or by proxy are a quorum.

9.4 The consent in writing of any or all Warranholders entitled to subscribe for not fewer than 75 per cent of the Warrant Shares which are subject to outstanding B-Series Warrants shall have the same effect as a special resolution of the Warranholders.

**10. INFORMATION AND REPRESENTATION RIGHTS OF WARRANTHOLDERS**

10.1 The Company shall send or procure to be sent to each Warranholder a copy of its annual report together with all documents required by law to be annexed thereto and copies of every statement, notice or circular issued to the members of the Company concurrently with the issue of the same to its members.

10.2 Warranholders shall have the right to attend and speak (but not, by virtue or in respect solely of holdings of B-Series Warrants, to vote) at all meetings of members of the Company at which any business is to be moved which has any effect (actually or reasonably foreseeable) on the Subscription Rights attaching to the B-Series Warrants.

10.3 Concurrently with the Company's notification to the London Stock Exchange concerning the declaration of any dividends the Company shall notify the Warranholders of the same.

**11. REPLACEMENT OF CERTIFICATES**

If a Certificate is mutilated, defaced, lost, stolen or destroyed it will be replaced at the registered office of the Company upon payment by the relevant Warranholder of such costs as may be reasonably incurred in connection therewith and on such terms as to evidence and indemnity as the Company may reasonably require. The mutilated or defaced certificate (if applicable) must be surrendered before a replacement will be issued.

**12. NOTICES**

The provisions of the Articles regarding notices to be given to holders of Ordinary Shares shall apply *mutatis mutandis* to notices to be given to Warranholders.

**13. GOVERNING LAW**

The provisions of this Instrument shall be subject to and governed by English law and the courts of England and Wales shall have exclusive jurisdiction for the resolution of any claim or matter arising under or in connection with this Instrument.

**IN WITNESS WHEREOF** this Instrument has been executed as a deed and shall be deemed to be effective when dated.

**EXECUTED** as a **DEED** by )  
**Electric Guitar plc** )  
acting by John Regan )  
and in the presence of: )

..... )  
..... )  
(Director)

Witness Signature: [Redacted]  
Witness Name: [Redacted]

Witness Address: [Redacted]

Witness Occupation: [Redacted]

**Electric Guitar plc**

(Incorporated in England and Wales with registered number 13288812)

**CERTIFICATE REPRESENTING B-SERIES WARRANTS**

to subscribe for Ordinary Shares at £0.005 per Ordinary Share

Certificate No.: [1/2]  
 Date of Issue: [insert date]  
 Name and address of Warrantholder: [Alexander David Securities Limited/ Axis Capital Markets Limited]  
 [insert address]

Number of B-Series Warrants comprised in this Certificate: [insert number]

Constituted pursuant to an instrument of deed poll dated [insert date] (the **Instrument**).

**THIS IS TO CERTIFY** that the Warrantholder named above is the registered holder of the right to subscribe during the period stated in the Instrument in cash at the subscription price set out above for one Warrant Share in respect of each B-Series Warrant held (subject to adjustment in accordance with **clause 5** of the Instrument and subject to the Articles and otherwise on the terms and conditions set out in the said Instrument).

The B-Series Warrants to subscribe for Warrant Shares are constituted by the Instrument. Constitution of the B-Series Warrants and execution of the Instrument by the Company was authorised by a resolution of the board of directors of the Company passed on [insert date]. The B-Series Warrants are subject to the provisions of the Instrument. Copies of the Instrument are available for inspection at the registered office for the time being of the Company during normal business hours on Business Days. The Warrantholder is entitled to the benefit of, is bound by, and is deemed to have knowledge of, all the provisions of the Instrument.

Executed and delivered as a Deed by)

**Electric Guitar plc**

acting

by:

.....

Director

.....

Director / Secretary

**SCHEDULE TO THE CERTIFICATE**

**Notice of Exercise**

To: The Directors  
Electric Guitar plc  
The Anchorage  
4th Floor, 34 Bridge Street  
Reading, Berkshire  
England  
RG1 2LU

We hereby exercise the Subscription Rights over *[insert number]* of the Ordinary Shares the subject of *[insert number]* of the B-Series Warrant(s) represented by this Certificate and have arranged for a bank transfer for £*[insert amount]*, being the aggregate Subscription Price payable in respect of the Subscription Rights we are exercising.

Signed: .....  
Full Name: *[Insert name here]*  
Address: *[Alexander David Securities Limited/Axis Capital Markets Limited]*  
*[insert address]*

[We hereby request that a certificate for the Warrant Shares be issued and sent by post at our risk to us at the following address:

Address: *[insert address]*

We agree that such Ordinary Shares are acceptable subject to the Articles.]

Signed: .....  
Full Name: *[Insert name here]*  
Address: *[Alexander David Securities Limited/Axis Capital Markets Limited]*  
*[insert address]*

**OR**

[We hereby request that you register my/our Warrant Shares in uncertificated form to the CREST account detailed below:

**CREST Details**

Participant ID: *[participant ID to be inserted by Alexander David Securities Limited/Axis Capital Markets Limited]*

Member Account ID: *[member account ID to be inserted by Alexander David Securities Limited/Axis Capital Markets Limited]*

Custodian Name: *[custodian name to be inserted by Alexander David Securities Limited/Axis Capital Markets Limited]*

We agree that such Ordinary Shares are acceptable subject to the Articles.

Signed: .....

Full Name: *[Insert name here]*

Address: *[Alexander David Securities Limited/Axis Capital Markets Limited]*  
*[insert address]*