

HERALD INVESTMENT MANAGEMENT LIMITED

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Irrevocable Undertaking

STRICTLY PRIVATE AND CONFIDENTIAL

To: Project California Bidco Limited
7 Elmwood, Chineham Business Park
Basingstoke
United Kingdom, RG24 8WG

And: Tungsten Corporation plc
Poutney Hill House
6 Laurence Poutney Hill
London EC4R 0BL

20 May 2022

Dear Sirs

Proposed acquisition of all the issued and to be issued ordinary shares of 0.438 pence each in the share capital of Tungsten Corporation plc (the “Offeree” or the “Company”)

We refer to the proposed acquisition of all of the issued and to be issued share capital of the Offeree (the “**Transaction**”, as further defined in paragraph 8.12 of this undertaking) by Project California Bidco Limited, a wholly-owned indirect subsidiary of Kofax Parent Limited (together with its affiliates, the “**Offeror**”). We understand that the Transaction will be implemented by way of a court sanctioned scheme of arrangement (the “**Scheme**”) under Part 26 of the Companies Act 2006 (the “**Act**”) but which may ultimately be effected by way of a contractual takeover offer within the meaning of section 974 of the Act, to acquire all the issued and to be issued ordinary shares of 0.438 pence each of the Company (the “**Takeover Offer**”) substantially on the terms and conditions of the attached draft increased offer announcement (the “**Announcement**”). This undertaking sets out the terms and conditions on which we will vote in favour of the Scheme or, if applicable, accept the Takeover Offer.

1 Shareholdings

We irrevocably undertake, represent, warrant and confirm to the Offeror that:

- 1.1 we are the beneficial owner (or are otherwise able to control the exercise of all rights attaching to, including voting rights and the ability to procure the transfer of) and/or registered holder of the number of ordinary shares of 0.438 pence each

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in the capital of the Offeree shown in Schedule 1 to this undertaking (the “**Shares**”) and that the Shares are free of any Encumbrance;

- 1.2 we have no interests in any securities of the Offeree other than as shown in Schedule 1;
- 1.3 we have now and will continue to have for so long as such obligations remain to be performed all necessary capacity, right, power and authority to enter into this undertaking, to perform the obligations under it and to vote in favour of the Scheme or accept the Takeover Offer, as applicable;
- 1.4 the entry into and the performance by us of our obligations under this undertaking will not result in (i) a breach of or conflict with any provision of our constitutional documents; (ii) a material breach of, or constitute a material default under, any agreement or instrument to which we are party or by which we are bound; or (iii) a breach of any applicable law; and
- 1.5 this undertaking is binding and enforceable on us.

2 Undertakings

In consideration of the Offeror agreeing to proceed with the Transaction, subject to the conditions set out in this undertaking, we undertake that:

- 2.1 we shall cast all votes in relation to the Shares at the court meeting (the “**Court Meeting**”) and the Company’s general meeting in respect of the Scheme (the “**General Meeting**”) in favour of the relevant resolutions and against any resolution or proposal to adjourn the Court Meeting or the Company’s General Meeting or to amend any relevant resolution;
- 2.2 we shall, after the publication of the Offer Document (and without prejudice to our rights to attend and vote in person at the Court Meeting and the Company General Meeting), return or take all steps within our power to procure the return of the form(s) of proxy enclosed with the Offer Document in relation to all Shares in accordance with the instructions printed on such form(s) of proxy;
- 2.3 we shall not revoke the terms of any proxy submitted in accordance with this undertaking or submit new forms of proxy voting against the relevant resolution in respect of all or any of the Relevant Shares (as defined in paragraph 2.5 below), either in writing or by attending and voting on a show of hands at any general meeting, or Court Meeting, or otherwise;
- 2.4 if the Offeror elects to implement the Transaction by way of a Takeover Offer, we shall accept the Takeover Offer in respect of the Shares in accordance with the procedure set out in the Offer Document not later than 1.00 p.m. (London time) twenty business days after the Offeror publishes the Offer Document;
- 2.5 if we become able to control the rights attaching to, including the ability to procure their transfer and voting of, any other ordinary shares in the Offeree (the “**Further Shares**”) and together with the Shares, the “**Relevant Shares**”) then:

- 2.5.1 if it is proposed that the Transaction is implemented by way of a Scheme, complete and return (or procure the completion and return of) forms of proxy to vote such Further Shares in favour of any relevant resolutions in accordance with paragraph 2.2 by not later than the date and time specified in paragraph 2.2 or, if the control of such Further Shares is acquired following that time, not later than twenty business days after we become able to control the rights attaching to such shares; or
- 2.5.2 if it is proposed that the Transaction is implemented by way of a Takeover Offer, to accept (or procure acceptance of) the Takeover Offer in respect of the Further Shares in accordance with the procedure set out in the Offer Document not later than the date and time specified in paragraph 2.4 or, if the control of such Further Shares is acquired following that time, not later than 1.00 p.m. (London time) twenty business days after we become able to control the rights attaching to such shares; and
- 2.6 all and any Relevant Shares acquired from us pursuant to the Transaction will be free from all Encumbrances, and together with all rights attached thereto including all rights to any dividends or other distributions hereafter declared, paid or made in respect thereof.

Notwithstanding anything to the contrary in this undertaking, the undertakings set out in this clause 2 shall only be effective from and conditioned upon when our obligations under the irrevocable undertaking we have granted to Pagero Group AB (publ) on 9 May 2022 in respect of its proposed acquisition of the Company shall have lapsed or our obligations thereunder shall have been suspended in accordance with its terms.

3 Dealings

We undertake to the Offeror that prior to the time that the Transaction becomes effective or lapses or is otherwise withdrawn (and no new replacement Scheme or Takeover Offer is announced by the Offeror), we shall not:

- 3.1 sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, mortgaging, grant of any encumbrance or option over, charging or other disposition of all or some of the Relevant Shares or any right or interest therein except pursuant to the Transaction, as appropriate; or
- 3.2 sell or otherwise dispose of any shares or other securities of the Offeree or any interest therein (including any derivatives referenced to such securities).

4 Higher Competing Offer

- 4.1 We retain the right to accept any higher offer (whatever the means by which it is to be implemented) made in respect of the Relevant Shares the value of which is at the date of such announcement at least ten per cent. higher than the per share consideration being offered by the Offeror as referred to in the Announcement (a “**Higher Competing Offer**”), providing that the Higher Competing Offer is made by the release via a Regulatory Information Service of an announcement of a firm intention to make an offer under Rule 2.7 of the Code by no later than 1.00

p.m. (London time) 20 business days after publication of the Announcement (the “**Higher Competing Offer Longstop**”).

- 4.2 If a Higher Competing Offer is made our obligations under paragraph 4.1 above in respect of the Relevant Shares shall be suspended.

5 **Secrecy**

We shall keep secret, save as required by law, the AIM Rules, AIM, the FCA, the Code or the Panel, the possibility of the Transaction, the terms and conditions of the Transaction and the existence and terms of this undertaking until the Announcement is released or the information has otherwise become generally available, provided that we may disclose the same to the Offeree and its advisers and/or our professional advisers in which case we will procure that such person(s) undertake to observe secrecy in the same terms.

6 **The Transaction**

- 6.1 The release of the Announcement is at the Offeror’s absolute discretion.

- 6.2 If after the Offeror releases the Announcement:

6.2.1 the Panel consents to the Offeror not proceeding with the Transaction;

6.2.2 an event occurs which means that the Offeror is no longer required by the Code to proceed with the Transaction; or

6.2.3 the Offeror becomes aware that any condition of the Transaction as referred to in the Announcement has or may become incapable of being fulfilled and the Panel consents to the Offeror not proceeding with the Transaction,

the Offeror shall not be obliged to proceed with the Transaction.

- 6.3 This undertaking (and all the obligations contained herein, otherwise than as provided in paragraph 5) shall lapse if:

6.3.1 the Announcement is not released by or on 20 May 2022 or such later time and/or date as the Offeror and the Offeree may agree not being later than 23 May 2022;

6.3.2 the Transaction is not proceeded with in the circumstances referred to in paragraph 6.2;

6.3.3 the Transaction lapses or is otherwise withdrawn (and no new replacement Scheme or Takeover Offer is announced by the Offeror on the same date),

without prejudice to any rights or liabilities in respect of breaches of contract committed prior to the lapsing.

7 Confirmations

- 7.1 We consent to this undertaking being disclosed to the Panel and to it being published on a website, as required by Rule 26.2 of the Code and otherwise being disclosed as may be required by the Code, the Panel or any other applicable law or regulation.
- 7.2 We consent to the inclusion of references to us and the particulars of our interests in the shares or other securities of the Offeree and the provisions of this undertaking, in the Announcement and the Offer Document and in any other document in connection with the Offer that is required by the Code or any other legal or regulatory requirements.
- 7.3 We confirm that:
- 7.3.1 prior to receipt of this undertaking we have consented to the receipt of inside information as part of a market sounding undertaken by Shore Capital and Corporate Limited and Shore Capital Stockbrokers Limited (“**Shore Capital**”); and
- 7.3.2 we will comply with the applicable restrictions on dealing in securities and disclosing inside information under MAR, the Financial Services and Markets Act 2000 (“**FSMA**”), and the Criminal Justice Act 1993.
- 7.4 We agree to promptly notify you and the Panel if we shall become aware that we are no longer able to comply with the terms of this undertaking or no longer intend to do so in accordance with Rule 2.10(c) of the Code.
- 7.5 We undertake to provide you with all such further information in relation to our interests in securities in the Offeree and that of any person connected with us as you may reasonably request in order to comply with the Code, the AIM Rules, the requirements of the FCA, AIM, the Panel and any other legal or regulatory requirements. We undertake promptly after becoming aware of the same, to notify you in writing of any material change in the accuracy or import of any information previously supplied to you by us.
- 7.6 We confirm by signing this letter that we are not a client of Shore Capital for the purposes of the Conduct of Business Sourcebook of the FCA and that Shore Capital is acting for the Offeror in connection with the Offer and no-one else and is not responsible to anyone other than the Offeror for providing the protections afforded to their respective clients nor for providing advice in relation to the Offer. We confirm that we have been given an adequate opportunity to consider whether or not to give this undertaking and to obtain independent advice.

8 Interpretation

In this undertaking, the following words and expressions have the following meanings:

- 8.1 “**AIM**” means AIM, a market operated by the London Stock Exchange;

- 8.2 “**AIM Rules**” means the rules and regulations made by the London Stock Exchange applicable to companies listed on AIM, (as amended from time to time);
- 8.3 “**business day**” shall be a reference to a day (other than a Saturday or Sunday or public holiday in the United Kingdom) upon which banks are generally open for business in London;
- 8.4 “**Code**” means the Code on Takeovers and Mergers, as in force from time to time;
- 8.5 “**Encumbrance**” means any mortgage, charge, pledge, lien, restriction, assignment, hypothecation, security interest, option, title retention or any other agreement or arrangement the effect of which is the creation of security, or any other interest, equity or other right of any person of any nature whatsoever (including any right to acquire, option, right of first refusal or right of pre-emption), or any agreement or arrangement to create any of the same;
- 8.6 “**FCA**” means the Financial Conduct Authority;
- 8.7 “**Group Company**” means in relation to any company or other undertaking, the parent undertaking or subsidiary undertaking, or another subsidiary undertaking of its parent undertaking (in each case as defined in section 1162 of the Companies Act 2006);
- 8.8 “**interests in securities**” or “**interests**” to be construed as relating to securities, has the same meaning as the defined term used in the Code;
- 8.9 “**MAR**” means Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as applicable in the UK by virtue of section 3 of the European Union (Withdrawal) Act 2018, as amended from time to time (including by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310));
- 8.10 “**Offer Document**” means (i) if the acquisition is implemented by way of Scheme, the scheme document circular published and made available to the shareholders of the Offeree by the Offeror on 25 April 2022, together with the supplemental shareholder circular to be published and made available to the shareholders of the Offeree by the Offeror in connection with the Announcement, containing an explanatory statement in respect of the Scheme and notices of a court meeting and general meeting of the Offeree, and (ii) if the acquisition is implemented by way of a takeover offer, the formal offer document containing the terms and conditions of the Transaction;
- 8.11 “**Panel**” means the Panel on Takeover and Mergers; and
- 8.12 “**Transaction**” means the proposed acquisition by or on behalf of the Offeror of all of the issued and to be issued share capital of the Offeree, whether implemented by Scheme or Takeover Offer, substantially on the terms of the Announcement, or such other terms as may be agreed between the Offeror and the Offeree, or as may be required to comply with the requirements of the FCA,

the Code, the Panel, AIM, the AIM Rules and/or any other applicable law or regulator becoming effective.

9 Specific performance

We agree that, if we fail to vote in favour of the Scheme or accept the Takeover Offer, as applicable, in accordance with this undertaking or breach any of our obligations hereunder, damages would not be an adequate remedy and accordingly the Offeror shall be entitled to the remedy of specific performance in addition to any other remedy in law or equity to which the Offeror may be entitled.

10 Third party rights

The parties do not intend that any term of this letter shall be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this letter.

11 Time of the essence

Time shall be of the essence as regards any time, date or period mentioned in this undertaking and to any such time, date or period extended by mutual agreement.

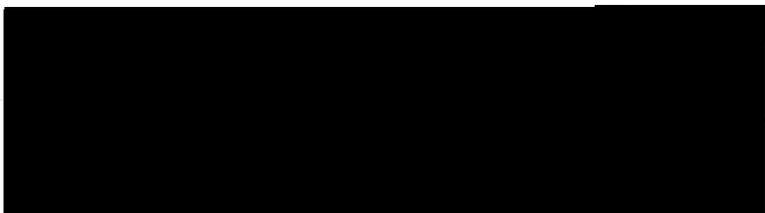
12 Unconditional and irrevocable obligations

Except to the extent otherwise specified, the undertakings, agreements, warranties, appointments, consents and waivers set out in this undertaking are unconditional and irrevocable.

13 Governing law and jurisdiction

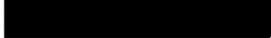
The construction, validity and performance of this undertaking and all non-contractual obligations (if any) arising from or connected with this undertaking shall be governed by the laws of England and we hereby irrevocably agree to submit to the exclusive jurisdiction of the courts of England over any claim or matter (including any non-contractual claim) arising under or in connection with this undertaking.

This document takes effect on the date appearing on the first page.



..... **Date:**.....

Authorized signatory of Herald Investment Management Limited for and on behalf of



(Schedules attached)

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**Schedule 1
EXISTING SHARES**

No. of issued ordinary shares held in Offeree	Name of beneficial owner	Name of registered holder
3,960,000	[REDACTED]	[REDACTED]

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Schedule 2
ANNOUNCEMENT

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