



Registration of a Charge

Company Name: **ENERMECH INTERNATIONAL LTD**

Company Number: **12604813**



XCZNI8ZC

Received for filing in Electronic Format on the: **25/03/2024**

Details of Charge

Date of creation: **19/03/2024**

Charge code: **1260 4813 0018**

Persons entitled: **GLAS TRUST CORPORATION LIMITED, 55 LUDGATE HILL, LEVEL 1, WEST, LONDON, EC4M 7JW, UNITED KINGDOM AS SECURITY AGENT (AND TRUSTEE FOR THE SECURED PARTIES)**

Brief description:

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

This form was authorised by: **a person with an interest in the registration of the charge.**

Authentication of Instrument

Certification statement: **I CERTIFY THAT SAVE FOR MATERIAL REDACTED PURSUANT TO S. 859G OF THE COMPANIES ACT 2006 THE ELECTRONIC COPY INSTRUMENT DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **CLIFFORD CHANCE LLP**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 12604813

Charge code: 1260 4813 0018

The Registrar of Companies for England and Wales hereby certifies that a charge dated 19th March 2024 and created by ENERMECH INTERNATIONAL LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 25th March 2024 .

Given at Companies House, Cardiff on 28th March 2024

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



**THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES**

DATED:19 March 2024

ENERMECH INTERNATIONAL LTD

as Grantor

and

GLAS TRUST CORPORATION LIMITED

as Security Agent

SUPPLEMENTAL SECURITY INTEREST AGREEMENT

in relation to (i) to intra-group contract rights and (ii) the share capital of EnerMech Group Limited

CAREY OLSEN

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THIS AGREEMENT is made the 19 day of March 2024

BETWEEN:

- (1) **ENERMECH INTERNATIONAL LTD** a company incorporated in England and Wales with registered number 12604813 and having its registered office at 266 Southtown Road, Great Yarmouth, United Kingdom, NR31 0JJ (the "**Grantor**"); and
- (2) **GLAS TRUST CORPORATION LIMITED** as security agent and trustee for the Secured Parties (as defined below) (the "**Security Agent**").

WHEREAS:

- (A) The Grantor and the Security Agent have entered into the Existing Security Interest Agreement. The Existing Security Interest Agreement creates a security interest over the Collateral under the Law.
- (B) The Grantor enters into this Agreement in connection with the SSFA Amendment and Restatement Agreement (as defined below) for the purposes of creating a supplemental security interest over the Collateral under the Law. The Grantor and the Security Agent intend this Agreement to be a security agreement for the purposes of the Law.

IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement:

"advance"	has the meaning given to that word in Article 33(4) of the Law;
"Affected Securities"	means the Securities which from time to time comprise or are included in the Collateral;
"after-acquired property"	has the meaning given to that expression in the Law and includes future collateral as referred to in Article 18(2)(c) and (d) of the Law;
"this Agreement"	extends to every separate and independent stipulation contained herein and includes the Recitals and Schedules and any amendment, variation, supplement, replacement, restatement or novation which is for the time being in effect;
"Bankrupt" and "Bankruptcy"	include the meanings given to those words by Article 8 of the Interpretation (Jersey) Law, 1954 as well as any other state of bankruptcy, insolvent winding up, administration, receivership,

administrative receivership or similar status under the laws of any relevant jurisdiction;

"Business Days"

has the meaning given to it under the Senior Opco Facilities Agreement;

the "Collateral"

means:

- (a) 4,750,000 ordinary shares of £1.00 each in the capital of the Company;
- (b) 5,205,475 A ordinary shares of £0.01 each in the capital of the Company;
- (c) 66,313,703 A preference shares of £0.01 each in the capital of the Company;
- (d) 300 C ordinary shares of £0.01 each in the capital of the Company;
- (e) 21,519,000 C preference shares of £0.01 each in the capital of the Company;
- (f) any other Securities in the Company that may from time to time be legally and/or beneficially owned by the Grantor;
- (g) all Derivative Assets;
- (h) all Intra-Group Contract Rights and any proceeds of such Intra-Group Contract Rights;
- (i) (where the context allows) any proceeds (that are not Derivative Assets) of all such Securities and the Derivative Assets; and
- (j) all the Grantor's right, title and interest from time to time to and in all such Securities and the Derivative Assets and proceeds,

including any after-acquired property falling within any of the above paragraphs of this definition;

the "Company"	means EnerMech Group Limited a company incorporated in Jersey with registered number 100596 and having its registered office at Fifth Floor, 37 Esplanade, St Helier, Jersey, JE1 2TR;
the "Confirmation"	means the confirmation to be given to the Security Agent by the Company substantially in the form set out in the Schedule;
"Control"	means "control" as that word is defined in Article 3(5) of the Law;
"Data Protection Laws"	means any privacy and/or data protection law applicable from time to time to any party to this Agreement which may include, without limitation, the Data Protection (Jersey) Law 2018, the Data Protection Authority (Jersey) Law 2018 and the EU General Data Protection Regulation (Regulation EU 2016/679);
"Declared Default"	has the meaning given that term in the Intercreditor Agreement;
"Derivative Assets"	means all Securities, dividends, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time (including after-acquired property) by way of dividend, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Affected Securities or any Derivative Assets previously described and all rights from time to time thereto;
"Existing Security Interest Agreement"	means the security interest agreement originally dated 1 July 2020 made between the Grantor and the Security Agent in relation to the Collateral, as supplemented by supplemental security interest agreements dated 8 December 2022, 30 June 2023, 19 September 2023 and 1 November 2023;
"Existing Security Interests"	means the security interest(s) created by or for which provision is made in the Existing Security Interest Agreement;
"Finance Document"	means a "Finance Document" under and as defined in the Senior Opco Facilities Agreement;
"Further Advance"	means "further advance" as that expression is defined in Article 33(4) of the Law, for the avoidance of doubt being of any amount or value, made for any purpose and whether or not contemplated by any party to this Agreement when this Agreement is executed;

the "Grantor"	includes the successors or (as the case may be) heirs of the person named as the Grantor above;
the "Intercreditor Agreement"	means the intercreditor agreement between, amongst others, the Grantor and the Security Agent originally dated 13 December 2018, as amended and restated and/or amended from time to time, including by amendment and restatement agreements and/or amendment agreements dated 1 July 2020, 7 December 2022, 30 June 2023, 19 September 2023, 1 November 2023, 22 December 2023, 18 January 2024, 6 March 2024 and as further amended and restated by an amendment and restatement agreement dated on or about the date of this Agreement;
"Intra-Group Contracts"	means any present or future loans, credit or other financial arrangements or accommodation made available, provided or allowed by the Grantor to the Company (whether documented or undocumented) including, for the avoidance of doubt, the intercompany loan agreement dated 18 December 2018 in respect of the EnerMech Group Limited Payable (as defined in the Recapitalisation Implementation Deed) originally between CIEP Epoch Bidco Limited as lender and the Company as borrower;
"Intra-Group Contract Rights"	means all present and future rights, title and interest in and to the Intra-Group Liabilities;
"Intra-Group Liabilities"	means all present and future liabilities and obligations (both actual and contingent and whether incurred solely or jointly or as principal or surety or in any other capacity) owed by the Company to the Grantor at any time under or in respect of any Intra-Group Contract;
"Intra-Group Payments"	means any payment, prepayment, repayment, redemption, defeasance or discharge of any Intra-Group Liabilities;
the "Law"	means the Security Interests (Jersey) Law 2012;
"Notice"	means the notice to be given to the Company substantially in the form set out in Schedule 2 (or in such other form as is acceptable to the Security Agent);
"proceeds"	has in relation to the (other) Collateral the meaning given to that word in the Law;

"Recapitalisation Implementation Deed"	means a recapitalisation implementation deed dated [1 July 2020] between, amongst others, the Grantor, the Company (as company parties) and the Security Agent (as new security agent);
the "Secured Obligations"	has the meaning given to that term in the Intercreditor Agreement, and includes for the avoidance of doubt any obligations and liabilities in respect of any Further Advances;
"Secured Parties"	has the meaning given to that term in the Intercreditor Agreement;
the "Security Agent"	includes the successors and assigns of the person named as the Security Agent above;
"Securities"	include without limitation any property within the definition of "investment security" under Article 1 (<i>Definitions</i>) of the Law;
"Security Interests"	means the security interest(s) created by or for which provision is made in this Agreement;
"Security Period"	means the period beginning on the date of this Agreement and ending on the date on which the Secured Obligations have been irrevocably and unconditionally satisfied in full and all facilities which might give rise to Secured Obligations have terminated;
the "Senior Opco Facilities Agreement"	means the senior facilities agreement (originally a super senior facilities agreement) originally dated 13 December 2018 between, among others, the Grantor, the Original Borrowers, the Original Lenders, the Agent and the Security Agent (each as defined therein) and as amended and/or as amended and restated from time to time including on 1 July 2020, 7 December 2022, 30 June 2023, 19 September 2023, 1 November 2023, 22 December 2023, 18 January 2024, 6 March 2024 and as amended and restated pursuant to the SFA Amendment and Restatement Agreement; and
the "SFA Amendment and Restatement Agreement"	means the amendment and restatement agreement dated on or about the date of this Agreement in relation to the Senior Opco Facilities Agreement between, amongst others, the Grantor, the Company and the Security Agent.

1.2 In this Agreement, unless the context otherwise requires:

- 1.2.1 the singular includes the plural and the masculine includes the feminine and neuter genders and *vice versa*;
- 1.2.2 references to a "**Recital**", "**Clause**" or "**Schedule**" are to a recital, clause or schedule of or to this Agreement;
- 1.2.3 references to any other agreement, instrument or document shall be construed as references to such agreement, instrument or document in force for the time being and as amended, varied, supplemented, replaced, restated or novated from time to time in accordance with its terms or, as the case may be, with the agreement of the relevant parties and including any (however fundamental) variation, increase, extension or addition of or to: (a) any such agreement, instrument or document (including any Finance Document); and/or (b) any facility or amount or value made available thereunder; and/or (c) any purpose thereof, and whether or not contemplated by any party to this Agreement when this Agreement is executed;
- 1.2.4 references to any statutory provision are to such statutory provision as modified or re-enacted for the time being in force and include any analogous provision or rule under any applicable law;
- 1.2.5 references to a "**person**" include any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);
- 1.2.6 words and expressions not otherwise defined in this Agreement shall be construed in accordance with the Intercreditor Agreement and words and expressions not otherwise defined in this Agreement or in the Intercreditor Agreement shall, if defined in the Law, be construed in accordance with the Law;
- 1.2.7 the Security Agent is "**the secured party**", the Grantor is "**the grantor**", the Collateral is the "**collateral**" and this Agreement is a "**security agreement**", for the purposes of the Law and "**event of default**" has the meaning given to that term in the Law;
- 1.2.8 the Recitals and Schedules form part of this Agreement and shall have the same force and effect as if they were expressly set out in the body of this Agreement;
- 1.2.9 a reference in this Agreement to any assets includes, unless the context otherwise requires, present and future/after-acquired property; and
- 1.2.10 to the extent that there is a conflict or inconsistency between the provisions of the Intercreditor Agreement and this Agreement, the provisions of the Intercreditor Agreement shall prevail.

- 1.3 Clause headings are inserted for convenience only and shall not affect the construction of this Agreement.
- 1.4 This Agreement is a Transaction Security Document for the purposes of the Intercreditor Agreement.
- 1.5 The Grantor acknowledges that the Secured Parties have appointed the Security Agent to act as agent and trustee for and on behalf of the Secured Parties in accordance with clause 20 of the Intercreditor Agreement and that the Security Agent is accordingly entitled to the rights, powers, authorities, protections, indemnities and limitations on liability set forth in the Intercreditor Agreement and shall act under this Agreement in accordance with the Intercreditor Agreement.
- 1.6 Notwithstanding anything to the contrary in this Agreement, the parties to this Agreement agree that the entry into this Agreement by the Grantor and the performance by the Grantor of its obligations under this Agreement shall not cause any breach of or event of default under or in relation to the Existing Security Interest Agreement. The Existing Security Interest Agreement shall remain in full force and effect notwithstanding the entry by the parties hereto into this Agreement.
- 1.7 Any reference in this Agreement to the Security Interests being first ranking, first priority or equivalent shall be subject to the Existing Security Interests and any obligation under this Agreement to deliver any document or to take any action shall be satisfied to the extent such document has been delivered or such action has been taken under the Existing Security Interest Agreement.

2. CREATION, ATTACHMENT AND PERFECTION OF SECURITY INTERESTS

- 2.1 The Grantor and the Security Agent hereby agree that, subject only to the Existing Security Interests, the Security Agent shall have continuing first priority security interests in the Collateral as security for the Secured Obligations in accordance with the Law and that such security is hereby created.
- 2.2 To the intent that the Security Interests shall attach to the Collateral, the Grantor and the Security Agent hereby agree that:
- 2.2.1 in the case of Affected Securities represented by a certificate or certificates the Security Agent shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being (at the option of the Security Agent and subject to Clause 2.11) registered with the Company as the holder of the Affected Securities;
- 2.2.2 to the extent that the Security Agent shall not have Control of some or any of the Affected Securities represented by a certificate or certificates pursuant to Clause 2.2.1, the Security Agent shall have Control of such Affected Securities for the purposes of Articles 3(5) and 18(1)(c)(i) of the Law by being in possession of all certificates representing all such Affected Securities; and

- 2.2.3 in the case of Collateral that is not Affected Securities to which Security Interests have attached pursuant to Clause 2.2.1 or 2.2.2, the Security Interests shall hereby attach to such Collateral for the purposes of Article 18(1)(c)(ii) of the Law.
- 2.3 The Grantor shall, within five Business Days of the date of this Agreement, execute a Notice and, upon execution of such Notice by the Security Agent, deliver it to the Company and procure that the Company promptly completes and delivers the acknowledgement thereof to the Security Agent.
- 2.4 In accordance with Clause 2.2, and in order to facilitate the exercise of the Security Agent's rights under this Agreement, the Grantor has delivered together with the Existing Security Interest Agreement and shall ensure that in the future there shall promptly be delivered to the Security Agent or to its order:
- 2.4.1 the certificates representing all Affected Securities represented by a certificate or certificates;
- 2.4.2 instruments of transfer in respect of all Affected Securities represented by a certificate or certificates and in respect of which Security Interests are attached under Clause 2.2.2, duly executed by the holder but otherwise completed or partially completed in such manner as the Security Agent directs;
- 2.4.3 a copy (certified true and correct by a director or the secretary of the Company) of the register of members of the Company showing:
- (a) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.2.1, the Security Agent; and
- (b) in the case of Affected Securities in respect of which Security Interests are attached under Clause 2.2.1, the Grantor,
- as the registered holder of all Affected Securities represented by a certificate or certificates and in either case noting the interest of the Security Agent pursuant to this Agreement; and
- 2.4.4 the Confirmation, signed by a director or other duly authorised signatory of the Company.
- 2.5 In accordance with Articles 18 (*Attachment: general rule*) and 19 (*After-acquired property*) of the Law, the Security Agent and the Grantor hereby agree that the Security Interests shall attach:
- 2.5.1 to the extent that the Collateral does not constitute after-acquired property, to such Collateral immediately upon execution of this Agreement; and
- 2.5.2 to the extent that the Collateral constitutes after-acquired property, to such Collateral immediately on the acquisition of rights in such Collateral by the Grantor without the need for any specific appropriation of the property by the Grantor.

- 2.6 To the intent that the Security Interests shall be perfected in accordance with the Law the Security Agent and the Grantor hereby agree that:
- 2.6.1 the Security Interests in the Affected Securities represented by a certificate or certificates shall be perfected by the Security Agent having Control of such Collateral pursuant to Clause 2.2.1 or 2.2.2 and/or (at the option of the Security Agent) by registration of a financing statement in accordance with Article 22(4) of the Law;
 - 2.6.2 the Security Interests in any Collateral that is not Affected Securities represented by a certificate or certificates or proceeds shall be perfected by registration of a financing statement in accordance with Article 22(4) of the Law;
 - 2.6.3 the Security Interests in proceeds shall, without prejudice to the operation of Article 26 (*Temporary perfection of security interests in proceeds*) of the Law, be perfected by registration of a financing statement in accordance with Article 25 (*Continuous perfection of security interests in proceeds*) of the Law.
- 2.7 Subject to Clause 2.11 and the Law, the Security Agent may (without exercising the power of enforcement) cause or require any person on its behalf other than the Grantor to become the registered holder of any part of the Collateral and/or to have possession of the certificates representing the Affected Securities.
- 2.8 Subject to Clause 2.11, the Security Agent may complete a blank or partially completed instrument of transfer in such manner as for the time being appears appropriate to the Security Agent for the purpose of becoming registered under Clause 2.2.1 or otherwise facilitating the exercise of any of its rights under this Agreement, provided that a Declared Default has occurred and has not been withdrawn.
- 2.9 The Grantor hereby agrees that the Security Agent may at any time and from time to time without the consent of the Grantor take any such further action as the Security Agent may deem necessary or desirable in order to give the Security Agent a continuing first priority security interest or interests in the Collateral, subject only to the Existing Security Interests, under the Law that satisfies the requirements of the Law as to attachment and perfection.
- 2.10 Subject to any limits on its liability specifically recorded in the Finance Documents, the Grantor covenants with and undertakes to the Security Agent for itself and on behalf of the other Secured Parties to pay and discharge the Secured Obligations when due.
- 2.11 The Security Agent hereby agrees that notwithstanding Clauses 2.2.1, 2.7 and 2.8, it (or its nominee) shall not become registered as holder of the Affected Securities in the register of members of the Company unless a Declared Default has occurred and has not been withdrawn.

3. FURTHER ASSURANCE AND POWER OF ATTORNEY

- 3.1 Subject to the Agreed Security Principles, the Grantor shall promptly (as its own cost and expense) do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Security Agent may reasonably specify having regard to the rights and restrictions in the Finance Documents (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s)):
- 3.1.1 to perfect the Security Interests (which may include the execution of a mortgage, charge, assignment or other Security over all or any of the assets which are, or are intended to be, the subject of the Security Interests) or for the exercise of any rights, powers and remedies of the Security Agent or the Secured Parties provided by or pursuant to the Finance Documents or by law; or
 - 3.1.2 to confer on the Security Agent or confer on the Secured Parties Security over any property and assets of the Grantor located in any jurisdiction equivalent or similar to the Security Interests; and/or
 - 3.1.3 to facilitate the realisation of the assets which are, or are intended to be, the subject of the Security Interests.
- 3.2 Subject to the Agreed Security Principles, the Grantor shall (as its own cost and expense) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Security Interest conferred or intended to be conferred on the Security Agent or the Secured Parties by or pursuant to this Agreement.
- 3.3 The Grantor by way of security irrevocably appoints the Security Agent and any Delegate severally to be its attorney (with full power of substitution), on its behalf and in its name or otherwise, at any time following the occurrence of a Declared Default which has not been withdrawn or following a failure by the Grantor to comply with any request made of it by the Security Agent pursuant to Clause 3.1 at such time and in such manner as the attorney thinks fit:
- 3.3.1 to do anything which the Grantor is obliged to do under any Finance Document to which it is party but has failed to do (including to do all such acts or execute all such documents, assignments, transfers, mortgages, charges, notices, instructions, filings and registrations as the Security Agent may reasonably specify (and in such form as the Security Agent may reasonably require in favour of the Security Agent or its nominee(s))); and
 - 3.3.2 to exercise any of the rights conferred on the Security Agent or any Delegate in relation to the Collateral or under any Finance Document or under any law.
- 3.4 The Grantor covenants with and undertakes to the Security Agent to ratify and confirm any lawful exercise or purported exercise of the power of attorney constituted in Clause 3.2.

4. INTRA-GROUP CONTRACT RIGHTS

Subject to the terms of the Intercreditor Agreement:

- 4.1 at any time prior to the occurrence of a Declared Default, the Grantor shall be entitled to exercise (or refrain from exercising) all Intra-Group Contract Rights, including the right to receive any Intra-Group Payments; and
- 4.2 at any time following the occurrence of a Declared Default which has not been withdrawn, the Security Agent or any Delegate may, at its discretion exercise (or refrain from exercising) all Intra-Group Contract Rights, including the right to receive any Intra-Group Payments.

5. REPRESENTATIONS AND WARRANTIES

- 5.1 The Grantor represents and warrants to the Security Agent on the date of this Agreement:

- 5.1.1 that for the purposes of Article 18(1)(a) of the Law, value has been given;
- 5.1.2 that for the purposes of Article 18(1)(b) of the Law and subject to the Existing Security Interest Agreement, the Grantor has rights in all of the Collateral and the power to grant rights in the Collateral to the Security Agent; and
- 5.1.3 that the Grantor is not, on the date of this Agreement, in the process of changing its name.

- 5.2 The Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the representations and warranties set out in this Clause 5.

6. COVENANTS AND UNDERTAKINGS

- 6.1 The Grantor covenants with and undertakes to the Security Agent to the intent that the same shall be continuing covenants and undertakings until the Security Agent's security interest in the Collateral is wholly discharged:

- 6.1.1 that the Grantor shall promptly following a request in writing from the Security Agent provide all information that the Security Agent requires in order to register any financing statement or financing change statement in accordance with Clause 2.6 or any other provision of this Agreement;
- 6.1.2 the Grantor shall not create or permit to subsist any Security over any Collateral, except as permitted by the Finance Documents or with the prior written consent of the Security Agent;
- 6.1.3 the Grantor shall not enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, transfer or otherwise dispose of any Collateral or any interest in the Collateral, except as permitted by the Finance Documents;

- 6.1.4 the Grantor shall ensure that none of the Affected Securities are converted into an uncertificated form without the prior written consent of the Security Agent;
 - 6.1.5 that unless the Security Agent otherwise agrees in writing, the Grantor shall use reasonable endeavours to procure the discharge of the registration of any security interest that is registered against it in relation to any Collateral (other than registration in respect of any Security Interest or any Existing Security Interest) promptly upon becoming aware of such registration; and
 - 6.1.6 not to do or permit to be done, anything which could be reasonably expected to prejudice the Security Interests in any way that is, or could reasonably be expected to be, materially adverse to the interests of the Secured Parties under this Agreement.
- 6.2 The Grantor acknowledges that the Security Agent has entered into this Agreement in reliance on the covenants and undertakings set out in this Clause 6.

7. VOTING RIGHTS

- 7.1 At any time prior to the occurrence of a Declared Default, the Grantor shall be entitled to exercise or direct the exercise of the voting and other rights attaching to the Affected Securities provided that:
- 7.1.1 it does so for a purpose not inconsistent with any Finance Document; and
 - 7.1.2 the exercise of or, as the case may be, the failure to exercise those rights would not have a material adverse effect on the value of the relevant Affected Securities or the Collateral or the ability of the Security Agent to realise the Security Interests and would not otherwise prejudice the interest of any Secured Party under any Finance Document.
- 7.2 At any time following the occurrence of a Declared Default which has not been withdrawn:
- 7.2.1 the Security Agent or any Delegate may, at its discretion (and in the name of the Grantor or otherwise and without any further consent or authority from the Grantor), exercise (or refrain from exercising) any voting rights or any other rights in respect of the Affected Securities; and
 - 7.2.2 the Grantor shall comply or procure the compliance with any directions of the Security Agent or any Delegate in respect of the exercise of those rights and shall promptly execute and/or deliver to the Security Agent or any Delegate such forms of proxy as it requires with a view to enabling such person as it selects to exercise those rights.

8. DIVIDENDS AND OTHER DERIVATIVE ASSETS

- 8.1 The Security Agent shall not have (and nor shall any nominee of the Security Agent have) any duty to take up any Derivative Assets or to ensure that any such Derivative Assets are duly and punctually

paid, received or collected as and when due and payable or to ensure that the correct amounts are paid, received or collected.

- 8.2 At any time prior to the occurrence of a Declared Default, the Grantor shall be entitled to retain all Derivative Assets.
- 8.3 At any time following the occurrence of a Declared Default which has not been withdrawn the Grantor shall hold any dividends, interest and other Derivative Assets of an income nature received by it on trust for the Secured Parties and transfer or pay the same immediately to the Security Agent or as it may direct.
- 8.4 For the avoidance of doubt, a security interest in Affected Securities shall itself encompass all Derivative Assets which are considered as a matter of law to be a composite part of such Affected Securities.

9. ENFORCEMENT BY THE SECURITY AGENT

- 9.1 The Security Agent's power of enforcement over the Collateral shall become exercisable immediately upon the occurrence of a Declared Default which has not been withdrawn, provided that the Security Agent has served on the Grantor written notice specifying the event of default.
- 9.2 Subject only to the Law, the Security Agent may exercise the power of enforcement in respect of the Security Interests in any manner permitted by or not in conflict with the Law, including, without limitation, by the Security Agent or some person on its behalf:
 - 9.2.1 appropriating all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);
 - 9.2.2 selling all or some of the Collateral (whether in one or a number of transactions and whether simultaneously or in series);
 - 9.2.3 by taking any one or more of the following ancillary actions:
 - (a) taking control or possession of all or any of the Collateral;
 - (b) exercising any rights of the Grantor in relation to all or any of the Collateral;
 - (c) instructing any person who has an obligation in relation to all or any of the Collateral to carry out that obligation for the benefit of the Security Agent (or to its order); and
 - 9.2.4 exercising or applying any remedy set out in this Clause 9.2.4 (such remedies being exercisable pursuant to the power of enforcement) to the extent that such remedy is not in conflict with the Law:
 - (a) directing from time to time the Grantor as to how it shall exercise or cause to be exercised all or any voting and other rights attaching to all or any Affected Securities;

- (b) directing the Grantor as to the disposal of all or any of the Collateral, including, where appropriate specifying the person(s) who are to acquire such Collateral, the terms upon and manner in which such disposal(s) shall take place, including the price or other *cause* or consideration (whether payable immediately, by instalments or otherwise deferred); and directing the mode of application of the proceeds of such disposal(s) in such manner as the Security Agent shall in its absolute discretion determine, including by way of sale to a third party, to the Security Agent or to an associate or nominee of the Security Agent.
- 9.3 (Subject only to the Law) for the purposes of this Agreement, references to the exercise of a "**power of enforcement**" shall include any method or process by which value is given, allowed or credited by the Security Agent for the Collateral against the Secured Obligations.
- 9.4 Where the power of appropriation or sale is exercised in relation to any non-monetary obligation, the "monetary value" (as referred to in Article 51 (*When does a surplus exist?*) of the Law) of such obligation shall be the loss or losses suffered by the Secured Parties by reason of non-performance of such obligation (including as such obligation is owed, or also owed, to any other person), including, without limitation, any such loss(es) as calculated and set out in a certificate submitted to the Grantor by the Security Agent.
- 9.5 The Security Agent may at any time and from time to time exercise one or more than one of the powers set out in Clause 9.2, in whatever order and combination as the Security Agent thinks fit.
- 9.6 In accordance with Article 44(4) of the Law, the Security Agent and the Grantor hereby agree that notice need not be given under Article 44 (*Notice of appropriation or sale of collateral*) of the Law to the Grantor.
- 9.7 Subject only to the Law, the Security Agent may at its discretion:
 - 9.7.1 exercise its power of enforcement in respect of the Security Interests over any part of the Collateral without reference to the time, manner, *cause*, consideration or Exchange Rate that may be/has been applicable to such exercise in respect of any other part of the Collateral; and
 - 9.7.2 refrain from exercising its power of enforcement in respect of the Security Interests over any one part of the Collateral notwithstanding that it shall have exercised such power over any other part of the Collateral.
- 9.8 No person dealing with the Security Agent shall be concerned to enquire as to the propriety of exercise of any power of enforcement in respect of the Security Interests (including, without limitation, whether any Security Interest has become enforceable, whether any of the Secured Obligations remain due, as to the necessity or expediency of any conditions to which a sale or other disposition is made subject or generally as to the application of any monies representing the

proceeds of enforcement of the Security Interests in respect of the Collateral). Each such dealing shall be deemed in favour of such person to be valid, binding and effectual.

- 9.9 To the fullest extent permitted by law, the Security Agent shall be under no liability to the Grantor for any failure to apply and distribute any monies representing the proceeds of enforcement of the Security Interests in respect of the Collateral in accordance with the Law if the Security Agent applies and distributes such monies in good faith without further enquiry and in accordance with the information expressly known to it at the time of application and distribution.
- 9.10 In accordance with Article 54(5)(a) of the Law, the Security Agent and the Grantor hereby agree that the Grantor shall not have any right of reinstatement pursuant to Article 54(4) of the Law or otherwise.
- 9.11 The Security Agent is not obliged to marshal, enforce, apply, appropriate, recover or exercise any security, guarantee or other right held by it, or any moneys or property that it holds or is entitled to receive, before the power of enforcement is exercised.
- 9.12 The Security Agent will be accountable (and the Grantor is entitled to be credited) only for actual value or proceeds realised by the Security Agent arising from the appropriation, sale or other realisation of any Collateral by the Security Agent.
- 9.13 Subject to any limits on liability specifically recorded in the Finance Documents, if the value or proceeds of the appropriation, sale or other realisation of any Collateral is insufficient to discharge the Secured Obligations in full, the Grantor will remain liable to the Security Agent for any shortfall.

10. ASSIGNMENT AND SUCCESSION

- 10.1 The Security Agent may grant a participation in or make an assignment or transfer or otherwise dispose of, the whole or any part of its rights and benefits under this Agreement and in particular (without limitation) the benefit of any Security Interest in accordance with the Intercreditor Agreement.
- 10.2 The Security Interests and other rights of the Security Agent arising under this Agreement shall remain valid and binding notwithstanding any amalgamation, reorganisation, merger or redomiciliation by or involving the Security Agent and shall inure for the benefit of the Security Agent's successors.
- 10.3 The Grantor may not assign or transfer all or any part of its rights, benefits and or obligations under this Agreement.

11. SUSPENSE ACCOUNT

- 11.1 The Security Agent may, in its discretion, place to the credit of an interest - bearing suspense account or impersonal account for so long as the Security Agent shall think fit, any monies received under or in connection with this Agreement in order to, amongst other things and as required by the Security

Agent, preserve the rights of the Security Agent and the other Secured Parties to prove for the full amount of all claims against the Grantor or any other person.

- 11.2 The Security Agent may, at any time, apply any of the monies referred to in Clause 11.1 in or towards satisfaction of any of the Secured Obligations as the Security Agent, in its absolute discretion, may from time to time conclusively determine.

12. EXPENSES AND INDEMNITY

Clauses 22 (*Costs and Expenses*) and 23 (*Other Indemnities*) of the Intercreditor Agreement shall apply to this Agreement as though set out in full herein.

13. EXTINGUISHMENT OF SECURITY INTEREST(S)

- 13.1 Where the Secured Obligations include obligations as to any Further Advance, whether expressly or in terms, the Security Interests shall not be extinguished by the repayment of any current advance.
- 13.2 Upon expiry of the Security Period, the Security Agent shall, at the request and cost of the Grantor, take such steps as may be reasonably required to release the Security Interests and the Existing Security Interests and return any documentation delivered to the Security Agent pursuant to Clause 2 and the Existing Security Interest Agreement.
- 13.3 If the Security Agent considers, having taken appropriate legal advice, that any amount paid or credited to any Secured Party under any Finance Document could reasonably be expected to be avoided or otherwise set aside, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been irrevocably paid.
- 13.4 Prior to the expiry of the Security Period, the Grantor shall not serve a demand that the Security Agent register a financing change statement discharging a registration of a financing statement in respect of a Security Interest made by the Security Agent under or in connection with this Agreement.

14. MISCELLANEOUS

- 14.1 The Security Interests shall take effect as a security for the whole and every part of the payment or performance of the Secured Obligations.
- 14.2 Each Security Interest is independent of, and in addition to and will not merge with, be prejudicially affected by, or prejudicially affect, any other Security Interest or other Security or guarantee for any of the Secured Obligations now or subsequently held by the Security Agent or any person on its behalf or any other Secured Party.
- 14.3 The rights and remedies of the Security Agent under this Agreement may be exercised from time to time and as often as the Security Agent deems expedient and are in addition to and shall neither prejudice nor be prejudiced by any other security or right or remedy which is at any time available

to the Security Agent or any other Secured Party (whether at law or pursuant to this Agreement, another agreement or the order of any court).

- 14.4 Any settlement or discharge between the Security Agent and the Grantor in respect of the Secured Obligations shall be conditional upon no security provided, or payment made, to the Security Agent or any other Secured Party by the Grantor or any other person being avoided or reduced by virtue of any provision of any enactment or law relating to Bankruptcy, winding-up or insolvency, including without limitation any such provision concerning "transactions at an undervalue", "fraudulent or voidable preferences", "preferences" or any provision similar or analogous thereto. If any such security or payment shall be so avoided or reduced, the Security Agent shall be entitled to recover the value or amount thereof from the Grantor as if no such settlement or discharge had taken place.
- 14.5 No delay, omission, time or indulgence on the part of the Security Agent (or any other Secured Party) in exercising any right or remedy under this Agreement shall impair that right or remedy or (in the absence of an express reservation to that effect) operate as or be taken to be a waiver of it; nor shall any single partial or defective exercise of any such right or remedy preclude any other or further exercise of that or any other right or remedy. Without prejudice to the generality of the foregoing, the Security Agent may exercise or refrain from exercising any of its rights and remedies independently in respect of different parts of the Collateral.
- 14.6 Save as otherwise expressly provided in this Agreement and subject always to the Law, any liberty or power which may be exercised or any determination which may be made by the Security Agent may be exercised or made in the absolute and unfettered discretion of the Security Agent which shall not be under any obligation to give reasons.
- 14.7 The Grantor acknowledges that the Security Agent has no obligation to perform any of the obligations of the Grantor, including in respect of the Collateral, or to make any payments or to enquire as to the nature or sufficiency of any payments made by or on behalf of the Grantor or to take any other action to collect or enforce payment of amounts the Security Agent is entitled to under or pursuant to this Agreement in respect of any Collateral.
- 14.8 If at any time one or more of the provisions of this Agreement becomes invalid, illegal or unenforceable in any respect, that provision shall be severed from the remainder and the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way. In particular, without prejudice to the generality of the foregoing, no defect in respect of a Security Interest created or intended to be created over any part of the Collateral shall affect the Security Interest created over any other part.
- 14.9 No variation or amendment of this Agreement shall be valid unless in writing and signed by or on behalf of the Grantor and the Security Agent. Any waiver by the Security Agent of any Declared Default or other breach of terms of this Agreement, and any consent or approval given by the Security Agent for the purposes of this Agreement, shall also be effective only if given in writing and then only for the purpose and upon the terms and conditions, if any, on which it is granted.

- 14.10 The Grantor may not direct the application by the Security Agent of any sums received by the Security Agent under, or pursuant to, any of the terms of this Agreement or in respect of the Secured Obligations.
- 14.11 The Security Agent shall without prejudice to its other rights and powers under this Agreement be entitled (but not bound) at any time and as often as may be necessary to take any such action as it may in its discretion think fit for the purpose of protecting the Security Interests.
- 14.12 This Agreement may be executed in any number of counterparts each of which shall be an original but which shall together constitute one and the same instrument.
- 14.13 The Security Agent shall at no time be deemed to authorise impliedly or otherwise any dealing in the Collateral for the purposes of Article 24 (*Continuation of security interests in proceeds*) of the Law except as permitted by this Agreement or the Finance Documents.
- 14.14 In accordance with Article 65 (*Applicant to pass on verification statement*) of the Law, the Grantor hereby irrevocably waives the right to receive a copy of any verification statement relating to any financing statement or financing change statement registered in respect of any Security Interest.
- 14.15 Each party to this Agreement shall comply in all respects with the Data Protection Laws as far as they may apply from time to time and each such party shall assist the other in bringing such fair processing and other notices as may be required by the other party and in the form required by the other party to the attention of data subjects.
- 14.16 The Security Agent shall hold the benefit of this Agreement inclusive of, *inter alia*, the security interests, confirmations, representations and warranties and undertakings and covenants given by the Grantor in and pursuant to this Agreement upon trust for the Secured Parties on the terms and conditions of the Intercreditor Agreement.
- 14.17 The Security Agent as trustee under this Agreement shall have the duties of a trustee set out or referred to in clause 20 of the Intercreditor Agreement. All and any other duties and liabilities of a trustee that would otherwise attach to the Security Agent as a trustee under or by reason of this Agreement are hereby excluded to the maximum extent permitted by law.
- 14.18 The Grantor confirms that the Existing Security Interests and all of the obligations, undertakings, covenants, agreements, rights, powers, discretions, remedies, immunities and other provisions contained or referred to in the Existing Security Interest Agreement shall remain in full force and effect, notwithstanding the entry by the parties hereto into this Agreement.
15. **CONTRACTUAL RECOGNITION OF BAIL-IN AND ACKNOWLEDGEMENT REGARDING SUPPORTED QFCS**

Clause 28 (*Contractual Recognition of Bail-In and Acknowledgement regarding supported QFCs*) of the Intercreditor Agreement shall apply to this Agreement as though set out in full herein.

16. COMMUNICATIONS

- 16.1 The provisions of clause 25 (*Notices*) of the Intercreditor Agreement shall apply (subject to any necessary modification) to this Agreement as though they were set out in full in this Agreement and as if references in such clause to "this Agreement" were references to this Agreement.

17. GOVERNING LAW AND JURISDICTION

- 17.1 This Agreement shall be governed by and construed in accordance with the laws of the Island of Jersey and the parties hereby irrevocably agree for the exclusive benefit of the Security Agent that the courts of the Island of Jersey are to have exclusive jurisdiction (without prejudice to Clauses 17.2 to 17.4) to settle any disputes which arise out of or in connection with this Agreement and that accordingly any suit, action or proceeding arising out of or in connection with this Agreement ("**Proceedings**") shall be brought in such court.
- 17.2 Nothing contained in this Agreement shall limit the right of the Security Agent to take Proceedings, serve process or seek the recognition or enforcement of a judgment or any similar or related matter against the Grantor in any convenient, suitable or competent jurisdiction nor shall the taking of any action in one or more jurisdiction preclude the taking of action in any other jurisdiction, whether concurrently or not.
- 17.3 The Grantor irrevocably waives (and hereby irrevocably agrees not to raise) any objection which it may have now or hereafter to laying of the venue of any Proceedings in any such court as referred to in this Clause, any claim that any such Proceedings have been brought in an inconvenient forum and any right it may have to claim for itself or its assets immunity from suit, execution, attachment or other legal process.
- 17.4 The Grantor further hereby irrevocably agrees that a judgment in any Proceedings brought in any such court as is referred to in this Clause shall be conclusive and binding upon the Grantor and may be enforced in the court of any other jurisdiction.

18. AGENT FOR SERVICE

The Grantor irrevocably appoints the Company to act as its agent to receive and accept on its behalf any process or other document relating to Proceedings brought in the courts of the Island of Jersey.

SCHEDULE 1

CONFIRMATION

To: **GLAS TRUST CORPORATION LIMITED** as security agent and trustee for the Secured Parties

Dear Sirs,

In this Confirmation:

"Derivative Assets"	means all securities, dividends, distributions, interest or other property (whether of a capital or income nature) accruing, deriving, offered or issued at any time (including after-acquired property) by way of dividend, bonus, redemption, exchange, substitution, conversion, consolidation, sub-division, preference, option or otherwise that are attributable to any Securities or to assets previously described and all rights from time to time thereto and including any after-acquired property falling within any of the foregoing;
"Existing Security Interest Agreement"	means the security interest agreement dated 1 July 2020 between the Grantor and the Security Agent in relation to the Collateral, as supplemented by supplemental security interest agreements dated 8 December 2022, 30 June 2023, 19 September 2023 and 1 November 2023;
"Finance Parties"	has the meaning given in the Security Agreement;
"Grantor"	means EnerMech International Ltd;
"Securities"	means the securities specified below; and
"Security Agreement"	means the security interest agreement between the Grantor and you dated on or about the date of this Confirmation in relation to, amongst other things, the Securities and the Derivative Assets.

We confirm that:

1. as at the date of this Confirmation we have not had notice of any security interest (other than under the Security Agreement and the Existing Security Interest Agreement), mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or

interest affecting the Securities or the Derivative Assets;

2. to the extent that it may prejudice or compete with the priority of any security granted to you by the Grantor we will not seek to enforce any lien or right of set off or other right that we may from time to time have over the Securities, the Derivative Assets or any proceeds (that are not Derivative Assets) of the Securities and Derivative Assets;
3. if you wish your own name, or the name of such other person as you shall nominate, to be entered in the register of members of the Company as holder of any Securities in accordance with the terms of the Security Agreement, we shall immediately effect this; and
4. we accept our appointment as the Grantor's agent to receive and accept on its behalf any process or other document relating to any suit, action or proceeding in respect of the Security Agreement brought in the courts of the Island of Jersey.

This confirmation is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully,

.....

duly authorised
for and on behalf of
EnerMech Group Limited

Date:

THE SECURITIES

The shares set out below in the capital of EnerMech Group Limited (the "**Company**") and any other shares in the Company that may from time to time be legally and/or beneficially owned by the Grantor, all such securities being subject to the Security Agreement.

	Class of Shares	Number
1.	Ordinary shares of £1.00 each	4,750,000
2.	A ordinary shares of £0.01 each	5,205,475
3.	A preference shares of £0.01 each	66,313,703
4.	C ordinary shares of £0.01 each	300

5.	C preference shares of £0.01 each	21,519,000
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SCHEDULE 2

FORM OF NOTICE

To: **ENERMECH GROUP LIMITED** (the "**Company**")

Date: _____ 2024

Dear Sirs

We, the undersigned, hereby give you notice that by a security interest agreement dated _____ 2024 (the "**Security Agreement**") between EnerMech International Ltd (the "**Grantor**") and GLAS Trust Corporation Limited as security agent and trustee for the Secured Parties (as defined in the Intercreditor Agreement, as defined in the Security Agreement) (the "**Security Agent**") the Grantor has granted to the Security Agent security interests in (among other things) all its right, title and interest and powers, present and future, to or in or pursuant to the loan agreements specified below (the "**Loan Agreements**") (the "**Loan Agreement Contract Rights**"), including all such Loan Agreement Contract Rights as consist in the right, title and interest to and in any amount payable to the Grantor under any Loan Agreement (the "**Loan Agreement Receivables**") and any proceeds of all such Loan Agreement Contract Rights and including any after-acquired property falling within any of the foregoing (the "**Collateral**").

This Notice may not be amended in any respect without the Security Agent's prior written consent.

Words and expressions not otherwise defined in this Notice shall be construed in accordance with the Security Agreement.

Please sign, date and forward the enclosed form of acknowledgement to the Security Agent.

This Notice shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....

for and on behalf of

GLAS TRUST CORPORATION LIMITED

.....

for and on behalf of

ENERMECH INTERNATIONAL LTD

THE LOAN AGREEMENTS

Any present or future agreement or arrangement (whether in writing or otherwise) between the Grantor and the Company, evidencing or creating a debt obligation or any other liability owed by the Company (as debtor) to the Grantor (as creditor).

ACKNOWLEDGEMENT

To: **GLAS TRUST CORPORATION LIMITED** as agent and trustee for the Secured Parties

Dear Sirs

We acknowledge receipt of the Notice given to us above.

We further confirm that:

1. as at the date of this acknowledgement we have not had notice of any security interest (other than for the notices dated 1 July 2020, 8 December 2022, 30 June 2023, 19 September 2023 and 1 November 2023 or under the Security Agreement or otherwise as permitted under the Intercreditor Agreement), mortgage, charge, pledge, assignment, title retention, lien, hypothec, trust arrangement, option or other third party interest or arrangement whatsoever which has the effect of creating security or another adverse right or interest affecting the Collateral; and
2. from and including the date upon which you notify us to do so in accordance with the terms of the Security Agreement, we shall pay all Loan Agreement Receivables as the Security Agent shall direct.

To the extent that there is any restriction or prohibition under any Loan Agreement that would restrict or prohibit the grant of a security interest in the Collateral, we hereby irrevocably waive such restriction or prohibition with effect from and including the date of the Security Agreement.

Words and expressions not otherwise defined in this acknowledgement shall be construed in accordance with the Notice.

This acknowledgement is given for *cause* and shall be governed by and construed in accordance with the laws of Jersey.

Yours faithfully

.....

duly authorised for and on behalf of

ENERMECH GROUP LIMITED

Date: _____ 2024

IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written

SIGNED by

for and on behalf of

ENERMECH INTERNATIONAL LTD

A solid black rectangular box used to redact a signature.

Director

.....

Director

IN WITNESS whereof the parties have duly executed this Agreement the day and year first above written

SIGNED by

for and on behalf of

ENERMECH INTERNATIONAL LTD

.....

Director

A solid black rectangular box used to redact a signature.

Director

SIGNED

for and on behalf of

GLAS TRUST CORPORATION LIMITED as security agent and trustee for the Secured Parties

by:

.....

