

TERM SHEET: OFFER OF ORDINARY SHARES IN MATERIALS MARKET LIMITED

| Matter | Terms |
|---------------------------------|---|
| Company | Materials Market (12149290) of Silverstream House, 4 th Floor, 45 Fitzroy Street, Fitzrovia, London W1T 6EB |
| Founders | Samuel Fred Hunt of 32c Crayford Road, London, N7 0ND Andrew Garrett Haehn of 111a East End Road, London, N2 0SU |
| Investor(s) | The Langold SSAS Riverdale 89 Graham Road Sheffield S10 3GP |
| Investment | The Investment will be for an equity investment of £30,000 in return for the issue of new ordinary shares at a price of £1.0725 per share in the Company comprising 2.50% of the Company's total issued share capital, valuing the Company (on a post-money basis) at £1,200,000. The purpose of this Investment is to provide working capital to the Company for its general business activities. |
| Capital Structure | The capital structure of the Company showing the anticipated capital structure of the shares immediately following Completion is set out in Appendix 1. All Shares will be fully paid up in cash on allotment. |
| SEIS Advance Assurance | The Company will seek, so far as is reasonably practicable, to qualify the Investment under the Seed Enterprise Investment Scheme (" SEIS ") and shall make the relevant applications to HMRC in this regard. |
| Option Scheme | It is envisaged that the Company will create an employee option pool following Completion for the purposes of incentivising the employees, shareholders, directors or other service providers of the Company (the " Option Scheme "). The aggregate number of shares allotted pursuant to the Option Scheme shall not represent more than 10% of the issued share capital of the Company on a fully diluted basis. |
| Completion | Completion of the Investment is expected to take place by 28 th September 2020. |
| Conditions to Completion | The investment is conditional on: <ul style="list-style-type: none"> • negotiation of definitive legal documents; • satisfactory completion of due diligence and anti-money laundering checks; • the Company obtaining SEIS advance assurance from HMRC; and |

| Matter | Terms |
|----------------------------------|--|
| | <ul style="list-style-type: none"> • receipt of all necessary board and shareholder consents. |
| Board of Directors | <p>Following Completion, the board of directors of the Company (the “Board”) shall comprise a total of 3 directors.</p> <p>The Board appointed at Completion shall consist of Andrew Garrett Haehn, Samuel Fred Hunt (the “Founder Directors”) and Gavin Louis Leverett (“Non-Executive Director”).</p> <p>The Company will aim to hold Board meetings at least once a month. The quorum for any such meetings shall be 2.</p> <p>Samuel Fred Hunt will be appointed as Chairman and shall have the casting vote on any matters determined at board level.</p> <p>The Founder Directors shall have the right to appoint additional board members for so long as they are shareholders of the Company.</p> <p>The day-to-day management of the business will be vested in the Founder Directors (subject to the Reserved Matters).</p> |
| Reserved Matters | <p>The prior written consent of the shareholders, collectively holding at least 65% of the Company’s issued share capital (“Shareholder Majority”) will be required to approve the matters shown in Appendix B.</p> |
| Rights of Ordinary Shares | <p>The Ordinary Shares in the Company will rank equally in all respects including as to dividends, returns of capital (on a winding-up or otherwise) and voting. The Ordinary Shares shall be non-redeemable.</p> |
| New Issues of Shares | <p>New issues of shares shall be offered pro-rata to existing shareholders first in accordance with the statutory pre-emption rights in the Companies Act 2006.</p> <p>Any new shareholders (by virtue of a fresh issue or transfer) will be required to accede to the terms of the shareholders agreement.</p> |
| Transfers of Shares | <p>All shareholders shall have a right of first refusal to acquire any shares of the Company which are proposed to be transferred. This right of first refusal shall not apply to transfers to partners, family members, companies wholly-owned by individual shareholders, or family trusts.</p> <p>Transfers to competitors (i.e. companies involved in the sale or distribution of construction materials) are not permitted.</p> |
| Drag Along | <p>In the event that the holders of 70% of the Ordinary Shares wish to accept an offer to sell all of their shares to a third party or enter into a change of control event of the Company, then all other shareholders shall be required to sell their Ordinary Shares or to consent to the transaction on the same terms and conditions.</p> |
| Restrictive Covenants | <p>All shareholders will enter into customary non-competition and non-solicitation undertakings. These restrictive covenants shall last for one year following the departure of the relevant shareholder.</p> |

| Matter | Terms |
|---------------------------|---|
| Information Rights | Investors shall receive quarterly reporting and financial information about the Company for so long as they hold at least 5% of the shares in the Company. |
| Warranties | The Founders shall provide warranties as to capacity and share capital of the Company. |
| Confidentiality | This Term Sheet is written on the basis that its contents and existence are confidential and will not be revealed by the Investors, the Company or the Founders to any third party or be the subject of any announcement without the prior written consent of the Company, Founders and Investors. |
| Expenses | Each party shall pay their own legal and other fees and expenses in the transaction. |
| Expiry of Offer | The offer set out in this Term Sheet is open for acceptance until 28 th September 2020, after which it will lapse. |
| Non-binding Effect | <p>This Term Sheet is not intended to be legally binding, with the exception of this paragraph and the paragraphs entitled Confidentiality, Expenses and Expiry of Offer which are binding upon the parties hereto and shall be governed and construed in accordance with the laws of England and Wales.</p> <p>By accepting this proposal, you acknowledge that you have not relied on any representation or warranty on our part or entered into any other agreement with us in connection with the Investment.</p> |

To confirm your acceptance of the terms of this Term Sheet please sign, date and return a scan to us.

.....

Date 24.09.2020

Signed by Samuel Hunt for and on behalf of Materials Market Ltd

We hereby acknowledge and accept the terms of the above Term Sheet.

.....

Date

Signed by Mr David Thompson, The Langold SSAS

APPENDIX A : CAP TABLE

| Shareholder | Class of Share | Number of Shares | Ownership % |
|--------------------------------|----------------|------------------|-------------|
| Samuel Fred Hunt (Founder) | Ordinary | 604,662 | 54.04% |
| Andrew Garrett Haehn (Founder) | Ordinary | 2,797 | 0.25% |
| Gavin Louis Leverett (NED) | Ordinary | 25,600 | 2.29% |
| Sergey Shishkin | Ordinary | 400,000 | 35.75% |
| The Langold SSAS | Ordinary | 27,972 | 2.50% |
| Katarzyna Kin | Ordinary | 27,972 | 2.50% |
| Jo Hunt | Ordinary | 27,972 | 2.50% |
| Deanna Haehn | Ordinary | 1,865 | 0.17% |
| TOTAL: | | 1,118,840 | 100% |

APPENDIX B

SHAREHOLDER RESERVED MATTERS

1. Issuing more shares or repurchasing or reducing the Company's share capital
2. The Company subscribing for shares in another company
3. Merging the Company (or part of its business) with any other person
4. Entering into a partnership or joint venture
5. Making a loan of £20,000 or above to any person
6. Borrowing an amount exceeding £150,000
7. Placing the Company in insolvency