

DATE: 6 JUNE 2025

**SALE AND PURCHASE AGREEMENT RELATING TO A 51 PER CENT. INTEREST IN
PINWOOD NORTH AMERICA LLC**

Between

(1) PNA HOLDING LLC

and

(2) LITHIA MOTORS, INC.

and

(3) LITHIA UK HOLDING LIMITED

and

(4) PINWOOD TECHNOLOGIES GROUP PLC

and

(5) PINWOOD US HOLDINGS LLC

and

(6) PINWOOD NORTH AMERICA LLC

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Agreed Form Documents

DMS Agreement

Resignations of directors

Sale Interests Assignment

THIS AGREEMENT is made on 6 June 2025

BETWEEN:

- (1) **PNA HOLDING LLC**, a company formed in the State of Delaware, United States of America with state file number 2581588 and having its registered office at c/o National Registered Agents, Inc., 1209 Orange Street, Wilmington, New Castle County, DE 19801 (“**Lithia JVCo**”);
- (2) **LITHIA MOTORS, INC.**, a company incorporated in the State of Oregon, United States of America with state file number 085131-11 and having its registered office at 150 North Bartlett Street, Medford, OR 97501, United States of America (“**Lithia**”);
- (3) **LITHIA UK HOLDING LIMITED**, a company incorporated in England and Wales with registered number 14523998 and whose registered office is at Loxley House 2 Oakwood Court, Little Oak Drive, Annesley, Nottingham, England, NG15 0DR (“**Seller**”);
- (4) **PINEWOOD TECHNOLOGIES GROUP PLC**, a company incorporated in England and Wales with registered number 02304195 and whose registered office is at 2960 Trident Court Solihull Parkway, Birmingham Business Park, Birmingham, England, B37 7YN (“**Buyer**”);
- (5) **PINEWOOD US HOLDINGS LLC**, a company formed in the State of Delaware, United States of America with state file number 2617171 and having its registered office at 1209 Orange Street, Wilmington, 19801, County of New Castle, Delaware, United States of America (“**Pinewood US**”); and
- (6) **PINEWOOD NORTH AMERICA LLC**, a company formed in the State of Delaware, United States of America with state file number 2582992 and having its registered office at 1209 Orange Street, Wilmington, 19801, County of New Castle, Delaware, United States of America (the “**Company**”).

RECITALS:

- (A) The Company is a limited liability company, formed on 3 November 2023, pursuant to the Delaware Limited Liability Company Act (6 Del. C. § 18-101, et seq.), as amended from time to time.
- (B) As at the date of this Agreement, Lithia JVCo holds 51 per cent. of the membership interests in the Company (the “**Sale Interests**”) and Pinewood US, a subsidiary of the Buyer, holds 49 per cent. of the membership interests in the Company.
- (C) Prior to Completion, certain members of the Lithia Group intend to undertake the Lithia Pre-Sale Reorganisation, whereby the Seller will acquire the Sale Interests from Lithia JVCo and replace Lithia JVCo as a member of the Company.
- (D) The Seller wishes to sell and the Buyer wishes to buy all of the Sale Interests on the terms of this Agreement.
- (E) Pinewood US is a party to this Agreement for the sole purpose of providing the waiver given in clause 3.4.
- (F) The Company is a party to this Agreement for the sole purpose of providing the waiver given in clause 10.4, the undertakings given in clause 17 and Part 2 of Schedule 1.
- (G) Lithia is a party to this Agreement for the sole purpose of providing the undertakings given in clauses 15, 17 and the warranties given in Part 3 of Schedule 3.

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, the following words and expressions have the following meanings unless the context requires otherwise:

“Admission” means admission of the Consideration Shares to listing on the equity shares (commercial companies) category of the Official List and to trading on the Main Market becoming effective in accordance with the Listing Rules and the Admission and Disclosure Standards respectively;

“Admission and Disclosure Standards” means the requirements contained in the publication “Admission and Disclosure Standards” issued by the London Stock Exchange, in force from time to time;

“Admission Condition” has the meaning given in clause 2.1.5;

“AGM” means the annual general meeting of the Buyer convened by a notice of annual general meeting posted to shareholders of the Buyer on or around the date of this Agreement, to be held at 12:45 p.m. on 30 June 2025 at Hotel & Conference Centre, London Heathrow, Meeting Room – Earhart, Building A, Bath Rd, Heathrow Blvd, Sipson, West Drayton UB7 0DU;

“Allocable Consideration” has the meaning given in paragraph 4.1 of Schedule 4;

“Allotment Resolution” means an ordinary resolution to provide the directors with the authority to allot and issue the Consideration Shares;

“Assurance” means any indemnity, guarantee, security agreement or similar commitment or agreement;

“Authority” means any person exercising statutory, regulatory or legal oversight, including any governmental, quasi-governmental, Tax Authority, administrative, regulatory, law-enforcement, judicial, arbitration or other body, authority, department, court, tribunal or agency of competent authority in any relevant jurisdiction;

“Business Day” means a day that is not a Saturday or Sunday or a public holiday in England or the state of Delaware, United States of America or the state of Oregon, United States of America and **“Business Hours”** means the hours of 9.00am to 5.00pm on a Business Day;

“Buyback Authority” means the general authority for the Buyer to make on-market purchases of up to 10 per cent. of its entire issued share capital implemented by way of share buyback, to the extent granted pursuant to the passing of the applicable special resolution at the AGM;

“Buyer Recommendation” means a unanimous and unqualified recommendation from the Independent Directors to the Buyer’s shareholders to vote in favour of the Waiver Resolutions and the Allotment Resolution;

“Buyer’s Group” means the Buyer and its subsidiary undertakings at the relevant time (and following Completion shall, for the avoidance of doubt, include the Company, whether or not legal title to any of the Sale Interests has at that time passed to the Buyer);

“Buyer’s Solicitors” means CMS Cameron McKenna Nabarro Olswang LLP of Cannon Place, 78 Cannon Street, London EC4N 6AF;

“Circular” means the circular to be prepared by the Buyer and despatched to the Buyer’s shareholders, containing details of the Transaction and including the notice of the General

Meeting convening a meeting of the Buyer's shareholders to vote (amongst others) on the Waiver Resolutions, and including any subsequent or supplementary circular;

"Claim" means a Warranty Claim or other claim against any of the Lithia Parties in respect of any of provision of this Agreement whether in contract, tort or otherwise;

"Code" means the Internal Revenue Code of 1986, as amended;

"Company" means Pinewood North America LLC, a limited liability company formed in the State of Delaware, United States of America with state file number 2582992;

"Completion" means completion of the sale and purchase of all the Sale Interests in accordance with this Agreement;

"Completion Date" means the date on which Completion takes place;

"Concert Party" means the Seller and Christopher Holzshu;

"Conditions" means the conditions set out in clause 2.1;

"Confidential Information" means, together:

- (a) the contents of this Agreement and the other Transaction Documents, including the identities of the parties to such agreements, their subject matter, the process of their negotiation, and any agreement or arrangement referred to therein, or entered into pursuant to the Transaction Documents;
- (b) any information received pursuant to clause 9 (*Information Rights*) of the Joint Venture Agreement;
- (c) any information which relates to the Company or any of the Company's business, assets and undertakings;
- (d) any information which relates to the Buyer's Group or any of its businesses, assets and undertakings; and
- (e) any information which relates to the Lithia Group or any of its businesses, assets and undertakings;

"Consideration" has the meaning given in clause 4.1;

"Consideration Shares" means 14,560,691 new Pinewood Shares (in aggregate);

"Disposal" includes whether directly or indirectly, any sale, transfer, mortgage, charge, encumbrance, swap, pledge, grant of options, transmission, distribution, gift, assignment, conveyance or disposal howsoever made, of or over any legal or beneficial interest in any of Consideration Shares or any rights comprised in or attaching to any Consideration Shares or any agreement or undertaking to do any of the foregoing and **"Dispose"** shall be construed accordingly;

"Director Indemnities" means an indemnity, in accordance with clause 10.17 of the Joint Venture Agreement, from the Seller in respect of the removal of Christopher Holzshu, George Hines and Tina Miller from their respective offices as directors and/or officers of the Company;

"DMS" means the Buyer's web-based dealer management system titled 'Pinewood Automotive Intelligence™ Platform';

"DMS Agreement" means the contract, in the agreed form, to be entered into at Completion between the Buyer and Lithia in relation to the implementation by Lithia of the DMS product and

services across the entirety of Lithia and its Affiliates’ (as defined therein) current and future retail and distribution network at all current and future dealership locations (including all franchise points) of Lithia and its affiliates located within North America (Canada and the United States);

“**Domain Name**” means *carstore.com*;

“**Domain Name Assignment**” means the assignment agreement in respect of the assignment of the Domain Name by the relevant member of the Lithia Group to the Buyer;

“**Encumbrance**” means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, retention of title arrangement or other right, interest or claim of any kind, in favour of any person (in each case whether actual or contingent), including an unpaid vendor’s lien, and any agreement to create any of the above;

“**FCA**” means the UK Financial Conduct Authority;

“**General Meeting**” means the general meeting of the shareholders of the Buyer (including any adjournment or postponement thereof) duly convened for, *inter alia*, the Independent Shareholders to consider and vote on the Waiver Resolutions;

“**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended and the rules and regulations promulgated thereunder;

“**Independent Directors**” means all of the directors of the Buyer from time to time, other than Christopher Holzshu and George Hines;

“**Independent Shareholders**” means the holders of all Pinewood Shares as at the date of this Agreement, other than the Concert Party;

“**Joint Venture Agreement**” means the amended and restated limited liability company agreement of the Company dated 1 February 2024 and entered into between, *inter alia*, Pinewood US, the Buyer, Lithia JVCo and the other parties signatories thereto;

“**JV Group Company**” means the Company and each of its subsidiary undertakings from time to time (and “**JV Group**” means the JV Group Companies collectively);

“**Listing Rules**” means the UK listing rules made by the FCA pursuant to Part VI Financial Services and Markets Act 2000, as amended from time to time;

“**Lithia Conditions**” means the Pre-Sale Reorganisation Condition and in so far as it relates to the requirements and obligations imposed on Lithia under the HSR Act, the Antitrust Condition;

“**Lithia Group**” means Lithia, Lithia JVCo, the Seller and their respective subsidiary undertakings and parent undertakings and subsidiary undertakings of any such parent undertakings at the relevant time (and following Completion shall, for the avoidance of doubt, not include the Company, whether or not legal title to any of the Sale Interests has at that time passed to the Buyer);

“**Lithia JVCo Warranties**” means the warranties given by Lithia JVCo pursuant to clause 11.1 and set out in Part 1 of Schedule 3;

“**Lithia Pre-Sale Reorganisation**” means the sale, conveyance, transfer and assignment by Lithia JVCo of the Sale Interests to the Seller;

“**Lithia Parent Warranties**” means the warranties given by Lithia pursuant to clause 11.3 and set out in Part 3 of Schedule 3;

“Lithia Parties” means Lithia, Lithia JVCo and Seller, and **“Lithia Party”** means any of them;

“Lithia Warranties” means the Lithia JVCo Warranties, the Seller Warranties and the Lithia Parent Warranties;

“Lock-in” means the lock-in of the Consideration Shares to be issued to the Seller, on the terms of clause 14 of this Agreement;

“London Stock Exchange” means London Stock Exchange plc;

“Longstop Date” means 5.00pm on 3 September 2025 or such later time and date as may be agreed in writing between the Buyer and the Seller;

“Losses” means in relation to any matter, all liabilities (whether actual or contingent), losses, claims, costs (including professional costs), fees and expenses and including any VAT on the same (except to the extent recoverable as input VAT), relating to that matter, and any amounts paid or payable in relation to that matter either pursuant to an order or judgment of any court, tribunal or other Authority, or pursuant to any settlement or agreement between the relevant parties to the matter;

“Main Market” means the main market for listed securities of the London Stock Exchange;

“Official List” means the Official List maintained by the FCA;

“Panel” means The Panel on Takeovers and Mergers;

“Pass-Through Tax Claim” has the meaning given in paragraph 2.1 of Schedule 4;

“Pass-Through Tax Return” means any Tax Return filed by or with respect to any member of the JV Group if (a) such entity is treated as a partnership or disregarded entity for purposes of such Tax Return, and (b) items of income, gain, loss, deduction or credit reflected on such Tax Return are required to be reflected on a Tax Return of any member of the Lithia Group;

“Pinewood Conditions” means the Prospectus Condition, the Rule 9 Condition, the Admission Condition and in so far as it relates to the requirements and obligations imposed on the Buyer under the HSR Act, the Antitrust Condition;

“Pinewood Shares” means ordinary shares of £1.00 each in the capital of the Buyer;

“Pinewood Warranties” means the warranties given by the Buyer pursuant to clause 12 and set out in Part 4 of Schedule 3;

“Pre-Completion Meeting” means the meeting (to take place remotely) between representatives of the Buyer and the Seller to prepare for Completion held pursuant to clause 7;

“Pre-Completion Tax Period” means any taxable period ending on or before the Completion Date and the portion through the end of the Completion Date of any Straddle Period;

“Prospectus” means the prospectus to be published by the Company in connection with Admission;

“Prospectus Regulation Rules” mean the Prospectus Regulation Rules of the FCA made in accordance with section 73A of the Financial Services and Markets Act 2000 (as amended);

“Purchase Price Allocation” has the meaning given in paragraph 4.1 of Schedule 4;

“Regulation S” means Regulation S as promulgated under the Securities Act;

“Relationship Agreement” means the subscription, transfer and relationship agreement dated 31 January 2024 entered into between the Buyer, Project Puma Funding Limited and the Seller;

“Relevant Pass-Through Tax Returns” has the meaning given in paragraph 2.2 of Schedule 4;

“Resolutions” means the Allotment Resolution and the Waiver Resolutions;

“Sale Interests” has the meaning given in recital (B);

“Securities Act” means the United States Securities Act of 1933, as amended;

“Seller’s Solicitors” means Latham & Watkins (London) LLP of 99 Bishopsgate, London, United Kingdom EC2M 3XF;

“Seller Warranties” means the warranties given by the Seller pursuant to clause 11.2 and set out in Part 2 of Schedule 3;

“Sale Interests Assignment” means an assignment of equity interests in the Company by the Seller, in favour of the Buyer, in respect of the Sale Interests;

“Straddle Period” means any taxable period that includes (but does not end on) the Completion Date;

“Takeover Code” means the City Code on Takeovers and Mergers;

“Tax” means, collectively, all U.S. federal, state, local, and non-U.S. income, corporation, capital gains, excise, gross receipts, ad valorem, sales, goods and services, harmonized sales, use, employment, franchise, profits, gains, property, transfer, payroll, social security contributions, intangibles and other taxes (whether payable directly or by withholding), together with any interest and any penalties, additions to tax or additional amounts imposed by any Authority with respect thereto;

“Tax Authority” means a taxing or other governmental (local or central), state or municipal authority (whether within or outside the United Kingdom) competent to impose a liability for or to collect Tax or administer or make any decision or ruling on any matter relating to Tax;

“Tax Returns” means, collectively, all returns, declarations, designations, elections, forms, schedules, reports, statements and other documents, in each case, that are filed or required to be filed with a Tax Authority in respect of any Taxes, including any amendments thereto;

“Transaction” means the sale and purchase of the Sale Interests pursuant to, and any other transactions contemplated by or matters arising out of, this Agreement;

“Transaction Documents” means this Agreement, the DMS Agreement, and any documents, agreements or arrangements to be entered into in connection with this Agreement or the Transaction;

“Transfer Taxes” has the meaning given in paragraph 1.1 of Schedule 4;

“VAT” means (a) value added tax chargeable under VATA and any tax imposed in substitution for it, and (b) any other value added, turnover, sales, use, distribution or similar or corresponding tax in any jurisdiction;

“VATA” means the Value Added Tax Act 1994;

“Waiver Resolutions” means the ordinary resolutions of the Independent Shareholders to approve the conditional waiver granted to Lithia by the Panel to make a mandatory offer pursuant to Rule 9 of the Takeover Code to acquire the shares in the Buyer not already owned by it which

might otherwise be imposed on it following: (a) the allotment and issuance of the Consideration Shares to Lithia or (b) the Buyer's on-market purchase of Pinewood Shares pursuant to the Buyback Authority implementation of a redemption or purchase by the Buyer of its own shares as envisaged under Rule 37 of the Takeover Code;

"Warranties" means the Lithia Warranties and the Pinewood Warranties, and **"Warranty"** shall be construed accordingly; and

"Warranty Claim" means a claim for breach of any of the Lithia Warranties.

1.2 In this Agreement, unless the context requires otherwise:

- 1.2.1 use of the singular includes the plural and vice versa;
- 1.2.2 any reference to the parties, or to a recital, clause or Schedule, is to the parties to, or the relevant recital, clause or Schedule of, this Agreement and any reference to this Agreement includes the Schedules and recitals;
- 1.2.3 any reference in a Schedule to a Part or a paragraph, is to a Part or a paragraph of that Schedule or, where relevant, to a paragraph of that Part of that Schedule;
- 1.2.4 a reference to any provision of the Companies Act 2006 includes, in relation to an entity other than a company (within the meaning of section 1 of that Act), a reference to that provision as applied by legislation to such entity;
- 1.2.5 any reference to an English legal term or concept, or any court, official or Authority in England, includes in respect of any jurisdiction other than England a reference to whatever most closely approximates to it in that jurisdiction;
- 1.2.6 the words **"to the extent that"** refer to the degree to which a particular matter or circumstance exists or applies and do not mean 'if';
- 1.2.7 reference to a **"person"** includes an individual, firm, partnership, body corporate, corporation, association, organisation, government, state, foundation or trust, in each case whether or not having separate legal personality and reference to a **"company"** includes a corporation or other body corporate;
- 1.2.8 a reference to **"law"** means all law and includes legislation and common law; and a reference to **"legislation"** means any type of legislation including statutes, subordinate legislation, regulations, directives, treaties, by-laws, retained direct EU legislation and assimilated legislation (within the meaning, in relation to both terms, of the Retained EU Law (Revocation and Reform) Act 2023), and, for the purpose of paragraph 1.3, also includes any Regulatory Requirement;
- 1.2.9 the term **"Regulatory Requirement"** means any rules, regulations, codes, circulars, guidance, orders, decisions, rulings, notices, demands, requests or similar requirements published, given or made by any Authority; and
- 1.2.10 **"undertaking"** and **"subsidiary undertaking"** have the meanings given in section 1161 and section 1162 Companies Act 2006 (as appropriate) and, in interpreting this definition, an undertaking shall also be treated as a member of another undertaking if any shares it owns in that other undertaking are registered in the name of another person in connection with the taking of security.

- 1.3 In this Agreement, unless expressly provided otherwise, a reference to any legislation:
- 1.3.1 includes a reference to that legislation as re-enacted, consolidated, replaced or amended from time to time;
 - 1.3.2 includes a reference to any legislation (“**previous legislation**”) of which that legislation is a re-enactment, consolidation, replacement or amendment (whether directly or by virtue of any intervening previous legislation) and, where relevant, to any direct EU legislation from which that legislation (or any previous legislation of that legislation) was derived (pursuant to section 3 European Union (Withdrawal) Act 2018), as such direct EU legislation was in force in each jurisdiction of the United Kingdom from time to time before 11pm on 31 December 2020; and
 - 1.3.3 includes a reference to any subordinate legislation made under any of the above from time to time.
- 1.4 The table of contents and the clause, Schedule and paragraph headings are included for convenience only and do not affect the interpretation of this Agreement.
- 1.5 The Schedules and recitals form part of this Agreement and have effect as if set out in full in it.
- 1.6 This Agreement is binding on and operates for the benefit of the successors and permitted assignees of the parties and references in this Agreement to the parties shall be construed accordingly.
- 1.7 Any reference in this Agreement to a document being “**in the agreed form**” means a document in a form agreed by the parties before the signing of this Agreement and either entered into on the date of this Agreement by the relevant parties or initialled by the parties (or on their behalf) and, where that document is not entered into on the date of this Agreement, with such amendments as the parties may subsequently agree.
- 1.8 In this Agreement, the words “including”, “includes” and “include” and “in particular” and “other”, and any similar words do not limit the generality of words that precede or follow them and the *ejusdem generis* rule does not apply.
- 1.9 For the purposes of any notices, consents, waivers and other documents or communications given, or agreements made, under this Agreement, “writing” and “written” include email.
- 1.10 In this Agreement, a matter, circumstance, event or action shall be regarded as being within a person’s ordinary course of business at a particular time if it would have fallen within the usual and proper day to day conduct of that person’s business activities as carried on during the 12 month period ending on the date of this Agreement.
- 1.11 Unless otherwise specified, any reference in this Agreement to a period of time specified as from a given day or from the day of a specified act or event, shall be calculated exclusive of that day; and any reference to a specific time is to London time.
- 1.12 Any reference in this Agreement to a payment (a “**Payment Obligation**”) being made on an “after-Tax basis” means that the amount payable pursuant to such Payment Obligation (“**Payment**”) shall be calculated (other than with respect to U.S. income Tax, for which none of Sections 1.12.1, 1.12.2, and 1.12.3 shall apply) in such a manner as will ensure that, after taking into account:
- 1.12.1 any Tax required by law to be deducted or withheld from the Payment;

- 1.12.2 the amount and timing of any additional Tax which becomes payable by the recipient of the Payment as a result of the Payment being subject to Tax in the hands of the recipient of the Payment; and
- 1.12.3 the amount and timing of any actual Tax saving which is or is reasonably likely to be obtained by the recipient of the Payment or any member of its group for Tax purposes to the extent that such Tax benefit is attributable to the matter giving rise to the Payment Obligation or to the entitlement to, or receipt of, the Payment, or to any Tax required to be deducted or withheld from the Payment,

the recipient of the Payment is in no better and no worse position from a Tax perspective than it would have been if the matter giving rise to the Payment Obligation had not occurred.

- 1.13 The exchange rate for USD to GBP for the purposes of this Agreement shall be for the purposes of calculating consideration payable £1.00 = USD1.3593. Any sum in any other currency that is required to be construed, for the purposes of this Agreement, as a sum in any other currency shall, unless expressly stated otherwise, be regarded as converted into that other currency at the closing mid-point rate for the conversion of the first currency into that other currency on the date immediately prior to the date of this Agreement as set out in the London edition of the Financial Times containing exchange rates applicable to that date.

2. CONDITIONS TO THIS AGREEMENT

- 2.1 Clause 3.1 is conditional on the satisfaction of the following conditions (the “**Conditions**”) by the Longstop Date:
 - 2.1.1 the prior approval and stamping by the FCA of the Prospectus, and the same being published in accordance with the Prospectus Regulation Rules (the “**Prospectus Condition**”);
 - 2.1.2 the passing of the Resolutions at the General Meeting (the “**Rule 9 Condition**”);
 - 2.1.3 completion of the Lithia Pre-Sale Reorganisation (the “**Pre-Sale Reorganisation Condition**”);
 - 2.1.4 all waiting periods applicable to the Transaction under the HSR Act having expired or been terminated (the “**Antitrust Condition**”); and
 - 2.1.5 Admission (the “**Admission Condition**”).
- 2.2 The Buyer, the Seller, Lithia JVCo and Lithia shall comply with their respective obligations set out in Part 1 of Schedule 1 in relation to the satisfaction of the Conditions.
- 2.3 The Buyer shall notify the Seller as soon as reasonably practicable after it becomes aware either that (a) the Pinewood Conditions (excluding the Antitrust Condition) have been satisfied or (b) it becomes aware of any reason why the Pinewood Conditions (excluding the Antitrust Condition) are not likely to be satisfied.
- 2.4 The Seller shall notify the Buyer as soon as reasonably practicable after it becomes aware either that (a) the Pre-Sale Reorganisation Condition has been satisfied or (b) it becomes aware of any reason why the Pre-Sale Reorganisation Condition is not likely to be satisfied.
- 2.5 The Conditions are not capable of being waived.
- 2.6 If all of the Conditions are not satisfied on or before the Longstop Date, then this Agreement shall terminate automatically at that time in accordance with clause 6.

3. AGREEMENT FOR SALE

- 3.1 The Seller agrees to sell, convey, transfer and assign, and the Buyer agrees to buy and accept such conveyance, transfer and assignment of, the Sale Interests on the terms of this Agreement.
- 3.2 Lithia JVCo covenants that:
- 3.2.1 upon execution of this Agreement, it has the right to sell, convey, transfer and assign the Sale Interests free from all Encumbrances and with all rights attaching to them, including the remaining capital account thereto and the right to receive all dividends and other distributions declared, made or paid; and
 - 3.2.2 upon completion of the Lithia Pre-Sale Reorganisation, full legal and beneficial ownership of the Sale Interests will be sold, conveyed, transferred and assigned to the Seller, with all rights attaching to them, including the remaining capital account thereto and the right to receive all dividends and other distributions declared, made or paid.
- 3.3 The Seller covenants that:
- 3.3.1 at Completion, it will have the right to sell, convey, transfer and assign the Sale Interests on the terms of this Agreement;
 - 3.3.2 the Sale Interests will be sold, conveyed, transferred and assigned free from all Encumbrances and with all rights attaching to them at Completion, including the remaining capital account thereto and the right to receive all dividends and other distributions declared, made or paid after Completion; and
 - 3.3.3 full legal and beneficial ownership of the Sale Interests will be sold, conveyed, transferred and assigned to the Buyer at Completion in accordance with Schedule 2.
- 3.4 Each of the Seller and Pinewood US waives, and shall procure the waiver of, all restrictions on the transfer of any of the Sale Interests (including any rights of pre-emption) whether conferred by the Joint Venture Agreement or otherwise.
- 3.5 The Buyer shall not be obliged to complete the purchase, conveyance, transfer and assignment of any of the Sale Interests unless the purchase, conveyance, transfer and assignment of all of the Sale Interests is completed simultaneously.

4. CONSIDERATION

- 4.1 The total consideration for the sale, conveyance, transfer and assignment of the Sale Interests under this Agreement shall be \$76,500,000 (the “**Consideration**”).
- 4.2 The Consideration shall be satisfied solely by way of issuance of the Consideration Shares by the Buyer to the Seller.
- 4.3 Any amount paid in respect of any claim for any breach of this Agreement or pursuant to any indemnity or any other undertaking to pay any amount under this Agreement shall, so far as possible, be deemed to adjust the Consideration by an equivalent amount.

5. EXCHANGE AND PERIOD BEFORE COMPLETION

- 5.1 At the same time as this Agreement is entered into:
- 5.1.1 the Seller shall deliver to the Buyer:

- (a) a copy of a duly executed board resolution or duly executed board minutes of the Seller approving the execution by the Seller of this Agreement and any other documents which the Seller is required to execute or deliver at the date of this Agreement;
- (b) a copy of the relevant articles of association, by-laws, minutes or resolutions or power of attorney of the Seller evidencing the authority of the person who shall sign this Agreement and enter into each document required to be entered into by, or on behalf of the Seller;
- (c) a copy of a duly executed written consent of the sole member of Lithia JVCo approving the execution by Lithia JVCo of this Agreement and any other documents which Lithia JVCo is required to execute or deliver at the date of this Agreement; and
- (d) a copy of the relevant articles of association, by-laws, minutes or resolutions or power of attorney of Lithia evidencing the authority of the person who shall sign this Agreement and enter into each document required to be entered into by, or on behalf of Lithia; and

5.1.2 the Buyer shall deliver to the Seller:

- (a) a copy of a duly executed written consent of the sole member of Pinewood US approving the execution by Pinewood US of this Agreement and any other documents which Pinewood US is required to execute or deliver at the date of this Agreement; and
- (b) an extracted copy of the minutes of the directors or a duly authorised committee of the Buyer approving (a) the execution by the Buyer of this Agreement and any other documents which the Buyer is required to execute or deliver at the date of this Agreement; and (b) conditional on and subject to Completion, the allotment and issue of the Consideration Shares in accordance with the terms of this Agreement.

5.2 The Seller shall, during the period beginning on the date of this Agreement and ending at Completion, comply with its obligations in Part 2 of Schedule 1.

5.3 During the period beginning on the date of this Agreement and ending at Completion, save as required to implement the Lithia Pre-Sale Reorganisation, Lithia JVCo and the Seller shall not dispose of, transfer, convey or assign any interest in or grant or permit to subsist any Encumbrance in respect of any of the Sale Interests.

5.4 The Seller shall promptly notify the Buyer of any matter which becomes known to it before Completion and that constitutes, or might reasonably be expected (either immediately or after the lapse of time) to constitute, a breach of clause 5.2 or clause 5.3, a breach of any of the Lithia Warranties given as at the date of this Agreement or a breach of any of the Lithia Warranties when given as at Completion.

6. TERMINATION

6.1 Written notice to terminate this Agreement may be given by the Seller to the Buyer:

- 6.1.1 if the Circular has not been despatched to the Buyer's Shareholders by 13 June 2025;

- 6.1.2 if the Circular does not include the Buyer Recommendation, or if the Buyer Recommendation is thereafter withdrawn or adversely modified or qualified, or if the Buyer or any of the Independent Directors announce that they no longer intend to make the Buyer Recommendation or intend to withdraw or adversely modify or qualify it;
 - 6.1.3 if final approval from the FCA of the Prospectus has not been obtained or, following final approval and stamping by the FCA of the Prospectus, the Prospectus is not published in accordance with the Prospectus Regulation Rules, by 30 June 2025; or
 - 6.1.4 if the General Meeting has not been held, and the Waiver Resolutions have not been put to the Buyer's shareholders, by 7 July 2025, save where the General Meeting has not been held and the Waiver Resolutions have not been put to the Buyer's shareholders as required by applicable law and/or bona fide security reasons or a physical event outside of the Buyer's control which renders the holding of the General Meeting impossible or impracticable, in which case the Seller shall have the right to terminate this Agreement pursuant to this clause 6.1.4 if the General Meeting has not been held, and the Waiver Resolutions have not been put to the Buyer's shareholders by the date falling four weeks after the relevant circumstance ceasing to apply (or such later date as is agreed in writing by the parties).
- 6.2 If this Agreement terminates in accordance with clause 2.6, or is terminated by notice in accordance with clause 6.1 or clause 7.5, then it shall cease to have any further force and effect, save that:
- 6.2.1 clause 1, this clause 6, clause 17, clauses 20 to 27 and clauses 29 to 31 shall continue in full force and effect despite such termination; and
 - 6.2.2 such termination shall not affect the accrued rights, remedies, obligations and liabilities of the parties under this Agreement as at the time of termination, (including in relation to any breach of the Agreement occurring at or before the time of termination).

7. PRE-COMPLETION MEETING

- 7.1 Subject to any postponement under clause 7.3, the Pre-Completion Meeting shall take place remotely at 12 noon on the Business Day after the Conditions (other than the Admission Condition) have been satisfied (or at such other time or in such other manner as the Seller and the Buyer may agree in writing).
- 7.2 At the Pre-Completion Meeting, the Seller and the Buyer shall comply with their respective obligations set out in Schedule 2. Documents to be executed and delivered under paragraphs 1 and 2 of Schedule 2 shall be delivered undated (other than the documents referred to in paragraphs 1.1.1 to 1.1.3 of Schedule 2), shall not be dated until (and shall only take effect on) Completion, and shall be held strictly to the order of the person delivering them until automatically released at Completion pursuant to clause 8.2.
- 7.3 If either the Seller or the Buyer (referred to in this clause 7 as the “**defaulting party**”) does not or is unable to fulfil any of its obligations set out in Schedule 2 at the time when the Pre-Completion Meeting is due to take place under clause 7.1, the other party (referred to in this clause as the “**non-defaulting party**”) may, without prejudice and in addition to any other right or remedy the non-defaulting party may have, by notice to the defaulting party:
 - 7.3.1 postpone the Pre-Completion Meeting to a date falling not more than 5 Business Days after the date on which the Pre-Completion Meeting was otherwise due to take place; or

- 7.3.2 elect to proceed to the Pre-Completion Meeting, in which case the defaulting party shall be obliged to fulfil those obligations set out in Schedule 2 that the defaulting party is then able to fulfil and to fulfil the remaining obligations on or before any later date specified for the purpose in the notice; or
 - 7.3.3 (having already given notice under clause 7.3.1 and the period of postponement so notified having elapsed without each unfulfilled obligation in question having been fulfilled) elect not to complete the sale and purchase of the Sale Interests.
- 7.4 If the Pre-Completion Meeting is postponed on any occasion under clause 7.3.1, this clause 7 shall apply with respect to each occasion to which it is so postponed. The non-defaulting party shall be entitled to postpone the Pre-Completion Meeting under clause 7.3.1 a maximum of two times, following which, the non-defaulting party shall either proceed to the Pre-Completion Meeting under clause 7.3.2 or by notice to the defaulting party elect not to complete the sale and purchase of the Sale Interests under clause 7.3.3.
- 7.5 If the non-defaulting party elects not to complete the sale and purchase of the Sale Interests in accordance with clause 7.3.3 then this Agreement shall terminate (at the time notice of that election is given) in accordance with clause 6.
- 7.6 Following the completion of the Pre-Completion Meeting, the Buyer shall procure the occurrence of Admission as soon as reasonably practicable, and in any event no later than the Longstop Date.

8. COMPLETION

- 8.1 Completion shall take place on the time and date of Admission of the Consideration Shares.
- 8.2 At Completion, the documents to be executed and delivered under paragraphs 1 and 2 of Schedule 2 shall cease to be held to the order of the person delivering them pursuant to clause 7.2 and shall be automatically released and dated as at the Completion Date.
- 8.3 The Buyer shall procure that:
- 8.3.1 the Seller is entered into the Buyer's register of members as the holder of the Consideration Shares promptly after Completion; and
 - 8.3.2 the Consideration Shares, on Admission, are credited to the CREST account(s) notified in writing to the Buyer by the Seller prior to Completion.

9. BORROWINGS

- 9.1 The Seller shall ensure that at Completion all monies owing by the Seller or any other member of the Lithia Group to any JV Group Company are repaid in full.
- 9.2 If at Completion there is any amount owing in breach of clause 9.1, then the Seller shall pay to the Buyer on demand (and on an after-Tax basis) the amount required to repay in full each such amount including, for the avoidance of doubt, the amount of any interest, penalty and prepayment or break fee payable when making that repayment.
- 9.3 Save for any capital contributions made by any member of the Lithia Group to the Company and any amounts standing to the account of Lithia JVCo's and/or the Seller's capital account, the Buyer shall ensure that at Completion all monies owing by any JV Group Company to Lithia JVCo, the Seller, or any member of the Lithia Group are repaid in full.
- 9.4 If at Completion there is any amount owing in breach of clause 9.3, then the Buyer shall pay to the Seller on demand (and on an after-Tax basis) the amount required to repay in full each such

amount including, for the avoidance of doubt, the amount of any interest, penalty and prepayment or break fee payable when making that repayment.

10. RELEASES

10.1 The Seller, Lithia JVCo and Lithia shall, at their own cost, enter into all documents, and use all reasonable endeavours to take all other actions as the Buyer may reasonably request from time to time after Completion, in order to effect the release and discharge in full (on a non-recourse basis to the Buyer and the Company) of any Assurance entered into by the Company in respect of any obligation of the Seller or any other member of the Lithia Group. Pending each such release and discharge, the Seller shall pay to the Buyer on demand the amount (determined on an after-Tax basis) of all Losses incurred by the Buyer and the Company arising directly or indirectly from or in connection with any such Assurance.

10.2 The Seller, Lithia JVCo and Lithia, both for themselves and as agent for each other member of the Lithia Group, irrevocably and unconditionally:

10.2.1 release and discharge the Company from any obligation or liability (whether actual or contingent) owed by the Company to the Seller or any other member of the Lithia Group, that is outstanding at Completion; and

10.2.2 waive all claims the Seller or any other member of the Lithia Group may have against the Company at Completion,

whether arising under any agreement, arrangement or otherwise and whether or not the Seller or relevant member of the Lithia Group knows or could know of the grounds or legal basis of such obligation, liability or claim. The Seller, Lithia JVCo and Lithia respectively warrant and represent that they are duly authorised by each other member of the Lithia Group to act as that person's agent in giving the releases, discharges and waivers given under this clause 10.2.

10.3 The Company shall, at its own cost, enter into all documents, and use all reasonable endeavours to take all other actions as the Seller, Lithia JVCo or Lithia may reasonably request from time to time after Completion, in order to effect the release and discharge in full (on a non-recourse basis to the Seller and any other member of the Lithia Group) of any Assurance entered into by Lithia JVCo, the Seller, Lithia or any member of the Lithia Group in respect of any obligation of any JV Group Company. Pending each such release and discharge, the Buyer shall pay to the Seller on demand the amount (determined on an after-Tax basis) of all Losses incurred by Lithia JVCo, the Seller, Lithia or any member of the Lithia Group arising directly or indirectly from or in connection with any such Assurance.

10.4 The Company irrevocably and unconditionally:

10.4.1 releases and discharges Lithia JVCo, the Seller, Lithia and any other member of the Lithia Group, from any obligation or liability (whether actual or contingent) owed by the Seller or any other member of the Lithia Group to an JV Group Company, that is outstanding at Completion; and

10.4.2 waives all claims that any JV Group Company may have against Lithia JVCo, the Seller, Lithia or any member of the Lithia Group at Completion (without prejudice to any matter agreed in the Transaction Documents),

whether arising under any agreement, arrangement or otherwise and whether or not the Buyer knows or could know of the grounds or legal basis of such obligation, liability or claim.

11. LITHIA WARRANTIES

- 11.1 Lithia JVCo warrants to the Buyer that:
- 11.1.1 both as at the date of this Agreement and immediately prior to completion of the Lithia Pre-Sale Reorganisation, the Warranties in Part 1 of Schedule 3 are accurate and not misleading; and
 - 11.1.2 as at the date of Completion, the Warranties in paragraph 2 of Part 1 of Schedule 3 are accurate and not misleading.
- 11.2 The Seller warrants to the Buyer that:
- 11.2.1 both as at the date of this Agreement and immediately following completion of the Lithia Pre-Sale Reorganisation, the Warranties in paragraph 2 of Part 2 of Schedule 3 are accurate and not misleading; and
 - 11.2.2 immediately following completion of the Lithia Pre-Sale Reorganisation and as at the date of Completion, the Warranties in Part 2 of Schedule 3 are accurate and not misleading.
- 11.3 Lithia warrants to the Buyer that, both as at the date of this Agreement and again as at Completion, the Warranties at Part 3 of Schedule 3 are accurate and not misleading.
- 11.4 The Lithia Warranties given at Completion shall be given by reference to the facts and circumstances existing at Completion and a reference in any of the Lithia Warranties to the date of this Agreement, whether express or implied, shall be regarded as a reference to the Completion Date.
- 11.5 Each of the Lithia Warranties is separate and is to be construed independently of, and without reference to qualifications contained in, the other Warranties and any other provisions of this Agreement.
- 11.6 No matter within the actual, imputed or constructive knowledge of the Buyer or any of its agents or advisers on the date of this Agreement, and no matter notified by the Seller to the Buyer after the date of this Agreement or otherwise coming within the actual, imputed or constructive knowledge of the Buyer after the date of this Agreement, shall be regarded as qualifying the Lithia Warranties. No warranty or representation is made by the Buyer, whether by executing this Agreement or otherwise, as to its (or its agents' or advisers') knowledge of any circumstance entitling it to make a Warranty Claim.
- 11.7 Neither Lithia JVCo nor the Seller shall have the right to make any claim (whether or not known at the date of this Agreement and whether founded in negligence or otherwise) against the Company, or any director, employee or officer of, or other person performing services for or on behalf of, the Company, on whom the Seller has or may have relied in connection with agreeing to the terms of any Transaction Document. Nothing in this clause 11.7 shall apply to restrict the ability of Lithia JVCo or the Seller to make any claim against any person for fraud.
- 11.8 Schedule 5 shall apply to limit or exclude, in accordance with their respective terms, any liability that Lithia JVCo or the Seller might otherwise have in respect of any Warranty Claim.
- 11.9 Any statement in this Agreement that refers to the awareness, knowledge or belief of Lithia JVCo, the Seller, Lithia or any member of the Lithia Group, or analogous expression, shall be deemed to include an additional statement that it has been made after due and careful enquiry of Christopher Holzshu, George Hines, Tina Miller and Edward Impert and the awareness,

knowledge or belief of Lithia JVCo, the Seller, Lithia or any other member of the Lithia Group shall be deemed to include that of such individuals and no others.

12. PINWOOD WARRANTIES

12.1 The Buyer warrants to:

12.1.1 Lithia JVCo, as at the date of this Agreement, that the Warranties at paragraph 1 of Part 4 of Schedule 3 are accurate and not misleading; and

12.1.2 the Seller, as at Completion, that the Warranties at Part 4 of Schedule 3 are accurate and not misleading.

12.2 The Pinewood Warranties given at Completion shall be given by reference to the facts and circumstances existing at Completion and a reference in any of the Pinewood Warranties to the date of this Agreement, whether express or implied, shall be regarded as a reference to the Completion Date.

12.3 Each of the Pinewood Warranties is separate and is to be construed independently of, and without reference to qualifications contained in, the other Warranties and any other provisions of this Agreement.

12.4 Any statement in this Agreement that refers to the awareness, knowledge or belief of the Buyer, or analogous expression, shall be deemed to include an additional statement that it has been made after due and careful enquiry of William Berman (Chief Executive Officer) and Oliver Mann (Chief Financial Officer) and the awareness, knowledge or belief of the Buyer shall be deemed to include that of such individuals and no others.

13. TAXATION

13.1 The provisions of Schedule 4 shall apply with effect from Completion.

14. LOCK-IN AND TRANSACTIONS IN CONSIDERATION SHARES

14.1 For a period of two years from the Completion Date, the Seller undertakes to the Buyer that it will not Dispose of, or agree to Dispose of, any interest (as set out in sections 820 to 825 of the Companies Act) in the Consideration Shares.

14.2 The undertaking in clause 14.1 shall not apply:

14.2.1 with the prior written consent of the Buyer;

14.2.2 in the event of an intervening court order requiring the Disposal of the Consideration Shares;

14.2.3 to the acceptance of a recommended offer (in accordance with the Takeover Code) made to shareholders of the Buyer (or to all such shareholders other than the relevant offeror and/or any persons acting in concert (as such term is defined in the Takeover Code) with such offeror) to acquire all the issued Pinewood Shares (other than any Pinewood Shares already owned by the relevant offeror and any person acting in concert with such offeror) or to the execution and delivery of an irrevocable undertaking to accept such offer;

14.2.4 if selling or otherwise disposing of Consideration Shares pursuant to any offer by the Buyer to purchase its own shares which is made on identical terms to all holders of shares in the Buyer and otherwise complies with the Companies Act;

- 14.2.5 if transferring or disposing of shares pursuant to a compromise or arrangement between the Buyer and its creditors or any class of them or between the Buyer and its members or any class of them which is agreed to by the creditors or members and (where required) sanctioned by the court under the Companies Act;
 - 14.2.6 if transferring Consideration Shares pursuant to a compromise or arrangement pursuant to a scheme of arrangement under Part 26 of the Companies Act providing for the acquisition by any person (or group of persons acting in concert, as such expression is defined in the Takeover Code) of 50 per cent. or more of the ordinary share capital of the Buyer and which compromise or arrangement has been sanctioned by the court; and
 - 14.2.7 to any disposal of Consideration Shares pursuant to a scheme of reconstruction under section 110 of the Insolvency Act 1986 in relation to the Buyer.
- 14.3 The Seller undertakes that neither it nor any respective affiliate (as defined in Rule 405 or Rule 501 under the Securities Act, as applicable), nor any person acting on its or their respective behalf, will, directly or indirectly, make offers or sales of any security, or solicit offers to buy or sell, or otherwise negotiate in respect of, any security under circumstances that would require the registration of the Consideration Shares under the Securities Act.
- 14.4 The Seller undertakes that it, its respective affiliates (as defined in Rule 405 or Rule 501 under the Securities Act, as applicable), and any persons acting on its or their respective behalf, has offered or sold, or will offer or sell the Consideration Shares only outside the United States in offshore transactions to persons who are not US Persons (as defined in Regulation S) in reliance on and in accordance with Regulation S.

15. SHARE REPURCHASE AND REDEMPTIONS

The parties hereby agree that, for the avoidance of doubt, paragraph 3 of the side letter between the Seller and the Buyer dated 31 January 2024 shall continue to apply notwithstanding entry into this Agreement and Completion. In addition, the Buyer undertakes that it shall not undertake any repurchase or redemption of Pinewood Shares if to do so would result in the Concert Party being obliged to make a mandatory offer under Rule 9 of the Takeover Code for the shares in the Buyer not already held by it.

16. PROTECTION OF THE INTERESTS OF THE BUYER

- 16.1 Lithia JVCo, the Seller and Lithia agree with the Buyer and, as a separate undertaking, to the Company that, for the period of 12 months from the Completion Date, they shall not (and shall ensure that the Lithia Group shall not):
- 16.1.1 carry on any services or products that are in competition with those of the Company in any of the Restricted Territories (whether along or jointly with others);
 - 16.1.2 directly or indirectly deal with, solicit or attempt to entice away from any JV Group Company any person who is, or was in the 12 months immediately prior to the Completion Date, a customer or supplier of any JV Group Company or in negotiations with any JV Group Company, other than in the ordinary course of its business as at the date of this Agreement;
 - 16.1.3 directly or indirectly solicit or attempt to entice away from any JV Group Company any individual who is at that time employed or directly engaged in an executive, technical or managerial position by any JV Group Company or who holds or is aware of

Confidential Information which is material to the JV Group, except for an individual who responds (without any solicitation or approach) to a general good faith public advertisement made in the ordinary course of business which is not intended to target any specific person; or

16.1.4 directly or indirectly, do or say anything or make any public statement that:

- (a) disparages or defames any JV Group Company; or
- (b) such person knows or ought reasonably to know will be harmful to the goodwill of any JV Group Company,

except that nothing in this clause 16.1.4 is intended to prohibit or restrict any person from:

- (c) responding truthfully to any governmental investigation, legal process, inquiry or in compliance with its obligations pursuant to applicable law;
- (d) making a bona fide statement to an Authority's whistleblowing department or otherwise in accordance with the JV Group's whistleblowing policy from time to time;
- (e) making good faith rebuttals of the other party's untrue or materially misleading statements; or
- (f) making any bona fide general competitive statements or communications without malice in the ordinary course of competition (subject always to clause 16.1.1).

16.2 For the purposes of 16.1, the "**Restricted Territories**" shall mean the United States of America and Canada.

16.3 Nothing in clause 16.1 shall restrict the Lithia Group from holding, in aggregate less than three per cent. (3%) of any class of shares or debentures listed on the London Stock Exchange or any other recognised exchange in any jurisdiction.

16.4 Lithia JVCo, the Seller and Lithia, having taken legal advice, agree that the undertakings contained in this clause 16 are reasonable and necessary for the protection of the goodwill of the businesses of the Company and the Buyer's Group and the legitimate commercial interests of the same.

16.5 Each of the undertakings contained in this clause 16 shall be construed as a separate and independent undertaking and if one or more of the undertakings is held to be against the public interest or unlawful or in any way an unreasonable restraint of trade, the remaining undertakings shall continue to bind each of Lithia JVCo, the Seller and Lithia.

16.6 Lithia JVCo, the Seller and Lithia each acknowledge that damages may not be an adequate remedy for any breach of this clause 16 and that the Company and the Buyer's Group shall be entitled to seek the remedies of injunction, specific performance and any other equitable relief for any such breach, whether actual or threatened.

17. JVA TERMINATION

Each party agrees that the Joint Venture Agreement shall terminate in its entirety (including, for the avoidance of doubt, any provisions therein which are expressly stated or otherwise implied to survive termination of the Joint Venture Agreement) with effect from Completion, and, save in

respect of the Director Indemnities, the obligations and liabilities of each of the parties thereunder shall be released with effect from Completion but without prejudice to any rights accruing to the parties thereto up to the date of termination.

18. PAYMENTS AND INTEREST

- 18.1 Any payments to be made to the Seller under this Agreement shall be made in US dollars by electronic transfer of immediately available funds to any single account of which the Seller may, from time to time, give the Buyer at least three Business Days' notice from time to time.
- 18.2 Any payments to be made to the Buyer under this Agreement shall be made in pounds sterling by electronic transfer of immediately available funds to any single account of which the Buyer gives the Seller at least three Business Days' notice from time to time.
- 18.3 Payment of any sum in accordance with clause 18.1 or clause 18.2 will discharge the obligations of the paying party to pay the sum in question and the paying party shall not be concerned to see the application of the monies so paid.
- 18.4 Except where this Agreement expressly provides otherwise, all payments to be made under this Agreement shall be made free and clear of all deductions, withholdings, counterclaims or set-off of any kind except for those required by law.

19. FURTHER ASSURANCE

- 19.1 Each party shall at their own cost promptly execute (or procure the execution of) all such documents, and do (or cause to be done) all such other things as any other party may from time to time reasonably require in order to give full effect to this Agreement.
- 19.2 Each party shall ensure that all books, records and other information relating to the Company or its business that are owned by such party or any member of the Lithia Group or the Buyer's Group (as applicable) are retained for a period of seven years starting on the Completion Date. During that period each party shall ensure that, on reasonable prior notice, the requesting party, its agents and advisers, are promptly provided with access (during Business Hours and subject to reasonable monitoring or supervision) to those books, records and information and are permitted, at such requesting party's expense, to make copies of them.

20. ASSIGNMENT

- 20.1 Except as provided in clause 20.2, no person may assign, grant any security interest over, or otherwise deal in or dispose of any rights under or the benefit of this Agreement, including by way of declaration of trust.
- 20.2 The Buyer may assign all or any of its rights under, or the benefit of, this Agreement to any other member of the Buyer's Group; or to any buyer of any of the Sale Interests or any material assets of the Company after Completion; and the Buyer may grant security over, or assign by way of security, all or any of its rights under, or the benefit of, this Agreement, to its bankers (and on the enforcement of that security the Buyer, or any person having the benefit of such security, may assign any or all of the relevant rights to any person); provided in any case that:
 - 20.2.1 the liability of the Seller to any assignee permitted under this clause 20 shall not be greater than its liability to the Buyer had the assignment not occurred; and
 - 20.2.2 if any member of the Buyer's Group to which rights have been assigned ceases to be a member of the Buyer's Group (except where the assignee ceases to be a member of the

Buyer's Group as a result of the dissolution of the Buyer, or the fact that the Buyer ceases to be, but the assignee remains as, a subsidiary undertaking of the Buyer's Group), then such assigned rights shall not be exercisable unless and until they are reassigned back to the Buyer.

21. ANNOUNCEMENTS AND CONFIDENTIALITY

- 21.1 No party may make or permit any other person to make any press release or other public announcement about this Agreement and the other Transaction Documents or the transactions contemplated by them.
- 21.2 Clause 21.1 shall not apply to:
- 21.2.1 any press release in the agreed form to be issued by the Buyer;
 - 21.2.2 any public announcement required to be made by the Buyer as a result of, and only to the extent the information therein is required by, any Regulatory Requirement; or
 - 21.2.3 any other public announcement of the acquisition of the Sale Interests made by the Buyer or any other member of the Buyer's Group (including any announcement to the customers or suppliers of (a) the Company or (b) the Buyer or any other member of the Buyer's Group) that contains no material information relating to this Agreement and the transactions contemplated by it that is not in that press release.
- 21.3 Subject to clauses 21.2, 21.4, 21.6 and 21.7, each party shall treat the following information as confidential and shall not disclose or use it:
- 21.3.1 details of the provisions of any Transaction Document;
 - 21.3.2 information relating to the negotiations leading to the execution of any Transaction Document; and
 - 21.3.3 (where obtained as a result of or in connection with negotiating, entering into, or the exercise of rights or the fulfilment of obligations under, any Transaction Document), in the case of the Seller, information relating to the Buyer or any other member of the Buyer's Group, or, in the case of the Buyer, information relating to the Seller or any other member of the Lithia Group.
- 21.4 Any party may disclose or use information otherwise required by clause 21.3 to be treated as confidential:
- 21.4.1 if, but only to the extent that, it is included in any document referred to in clause 21.2;
 - 21.4.2 if, but only to the extent that, it is necessary for the purpose of that party exercising rights or performing obligations under any Transaction Document;
 - 21.4.3 if disclosed:
 - (a) to that party's directors, employees, officers, agents, consultants, insurers, professional advisers, auditors or bankers (at any relevant time);
 - (b) by the Seller to any other member of the Lithia Group or the directors, employees, officers, agents, consultants, insurers, professional advisers, auditors or bankers (at any relevant time) of any other member of the Lithia Group; or

- (c) by the Buyer to any other member of the Buyer's Group or the directors, employees, officers, agents, consultants, insurers, professional advisers, auditors or bankers (at any relevant time) of any other member of the Buyer's Group;

in each case where the person to whom information is disclosed reasonably needs to know or use that information in connection with their role in relation to that party; and provided those persons may use that information only for that purpose;

- 21.4.4 if, but only to the extent that, it is required for the purpose of any legal (including arbitration) or regulatory proceedings arising out of this Agreement or any other Transaction Document;
 - 21.4.5 if, but only to the extent that, the information is or becomes generally available to the public through no fault of that party;
 - 21.4.6 if, but only to the extent that, it is required for the purpose or the preparation of, or to be included within any accounts, financial statements and/or the tax returns or other submissions to or communications with any Tax Authority in connection with the tax affairs of the disclosing party or its affiliate; or
 - 21.4.7 if it is disclosed to any permitted assignee, or to any prospective buyer of any of the Sale Interests or any material assets of the Company after Completion, or to any prospective buyer of all or part of, or any investor in, the Buyer's Group after Completion.
- 21.5 Each party shall ensure that any person to whom it discloses confidential information pursuant to clause 21.4.3 or clause 21.4.7 is made aware of the obligations of confidentiality contained in this clause and complies with clause 21.3 as if binding on that person directly.
- 21.6 Any party may disclose or use information otherwise required by clause 21.3 to be treated as confidential, or may make, or permit any person to make, any press release or other public announcement if, but only to the extent that, it is required by applicable law or Regulatory Requirement in any relevant jurisdiction and provided that the party using such information or making or permitting such disclosure, press release or announcement takes all such steps as are reasonably practicable in the circumstances, and permitted by law or relevant Regulatory Requirement, to notify each other party before the relevant disclosure, release or announcement is made.
- 21.7 Nothing in this Agreement shall prevent any party from disclosing or using information otherwise required by clause 21.3 to be treated as confidential, for the purposes of reporting an offence, or suspected offence, to any law enforcement agency, or cooperating in respect of any criminal investigation or prosecution with any law enforcement agency; or from reporting any misconduct or serious breach of Regulatory Requirements to any appropriate Authority.

22. COSTS

Each party shall bear its own costs and expenses in connection with the preparation, negotiation, execution and performance of this Agreement and the other Transaction Documents.

23. NOTICES

- 23.1 Any notice, consent, or other communication given under this Agreement shall be in writing and in English, signed by or on behalf of the party giving it, and shall either be:

- 23.1.1 delivered by hand (which shall include delivery by courier both within and outside the United Kingdom);
- 23.1.2 sent by email;
- 23.1.3 (if being sent within the United Kingdom) sent by pre-paid first class post; or
- 23.1.4 (if being sent to or from a place outside the United Kingdom) sent by pre-paid international postal service,

and in each case shall be sent in accordance with the following details:

to the Buyer and Pinewood US:

For the attention of: [REDACTED]

at

Pinewood Technologies Group plc

2960 Trident Court Solihull Parkway, Birmingham Business Park, Birmingham, England, B37 7 YN

Email address: [REDACTED] and [REDACTED] with the subject field: NOTICE: Agreement for the acquisition of Pinewood North America, LLC FAO: [REDACTED] and [REDACTED]

with a copy (which shall not constitute notice) to the Buyer's Solicitors: [REDACTED] and [REDACTED] with ref: 101726.00070; and

to the Seller, Lithia JVCo or Lithia:

For the attention of: [REDACTED], Vice President, General Counsel

at

Lithia Motors, Inc.

150 North Bartlett Street, Medford, OR 97501, USA

Email address: [REDACTED] with the subject field: NOTICE: Agreement for the acquisition of Pinewood North America, LLC FAO: Edward Impert

with a copy (which shall not constitute notice) to the Seller's Solicitors: [REDACTED] and [REDACTED].

23.2 Unless this Agreement specifically provides otherwise, notices, consents and other communications given in accordance with clause 23.1 shall be deemed to have been given and received:

- 23.2.1 where delivery is by hand, on the date and at the time the item is left at the relevant address if that is during Business Hours, or at the next opening of Business Hours if not;
- 23.2.2 where delivery is by pre-paid first class post, at the opening of Business Hours on the second Business Day following the date of posting;
- 23.2.3 where delivery is by pre-paid international postal service, at the opening of Business Hours on the fifth Business Day following the date of posting; and

23.2.4 where delivery is by email, provided that no delivery failure notice is received by the sender, at the time of sending if that is during Business Hours, or at the next opening of Business Hours if not,

and for the purposes of this clause 23.2, a reference to Business Hours shall mean 9.00am to 5.00pm in the time zone of the recipient on a Business Day, and a Business Day shall mean a day that is not a Saturday or Sunday or a public holiday in the territory of the recipient.

23.3 It shall be sufficient when proving delivery by hand to show that the item was properly addressed and left at the relevant address, and when proving delivery by post (including international post) to show that postage was paid and that the item was properly addressed and placed in the post or given to the international postal service for delivery (as appropriate).

23.4 The parties may from time to time notify each other of any other person, address or email address for the receipt of notices or copy notices. Any such change shall take effect on the fifth Business Day after the day on which notice of the change is actually received or (if later) on the date (if any) specified in the notice as the date on which the change is to take place.

23.5 A failure to give a copy notice to either the Buyer's Solicitors or the Seller's Solicitors (as appropriate) as required by clause 23.1 shall not invalidate any notice, consent or other communication otherwise validly given to the Buyer or the Seller (as appropriate).

23.6 The provisions of this clause 23 shall not apply in relation to the service of process in any legal proceedings arising out of or in connection with this Agreement.

24. THIRD PARTY RIGHTS

24.1 No third party shall have the right to enforce any term of this Agreement pursuant to the Contracts (Rights of Third Parties) Act 1999 except that, subject to the prior written consent of the Buyer, the Company may rely upon and enforce the terms of clause 10.2 and the Company, and the directors, employees or officers of, and any other person performing services for or on behalf of, the Company may rely upon and enforce the terms of clause 11.7.

24.2 Notwithstanding clause 24.1:

24.2.1 the rights of the parties to terminate, rescind or vary this Agreement are not subject to the consent of any third party; and

24.2.2 no third party may enforce any term of this Agreement unless it has first (and as a precondition of commencing any legal proceedings in relation to such enforcement) confirmed by notice to all of the parties that, in doing so, it agrees to be bound by the terms of clause 31.

25. WAIVER AND VARIATION

25.1 If a party delays or fails to exercise (in whole or part) any right, claim or remedy conferred by or arising under or in connection with this Agreement or by law, then, save to the extent that this Agreement provides otherwise, this will not operate as a waiver of, or as preventing the further exercise or the enforcement of, that right, claim or remedy. Any single or partial exercise or waiver of any such right, claim or remedy shall not preclude its further exercise or the exercise of any other right, claim or remedy.

25.2 A waiver of any right, claim or remedy conferred by or arising under or otherwise in connection with this Agreement or by law shall be effective only if it is given in writing and is signed by or on behalf of the party giving it.

25.3 No variation of this Agreement shall be effective unless it is made in writing and is signed by or on behalf of each of the parties.

26. SEVERANCE AND INDEPENDENT ADVICE

26.1 If any provision of this Agreement is found by any court or arbitrator to be wholly or partly invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this Agreement, or any remaining part of the same provision, which shall remain in full force and effect.

26.2 The parties agree that, if the Panel determines that any provision of this Agreement that requires the Buyer to take or not to take action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Takeover Code, that provision shall have no effect and shall be disregarded.

26.3 If any provision of this Agreement is so found to be wholly or partly invalid or unenforceable, but would be valid or enforceable if some part of the provision were deleted, restricted or limited in a particular manner, the provision in question shall apply with the minimum deletions, restrictions or limitations as may be necessary to make it valid or enforceable.

26.4 Each of the parties acknowledges that it has entered into this Agreement on an arm's length basis and that it has taken independent legal advice in so doing.

27. CUMULATIVE RIGHTS

The rights and remedies provided by this Agreement are cumulative and (except as otherwise provided in this Agreement) are not exclusive of any rights or remedies provided by law.

28. NO MERGER

The provisions of this Agreement, including the Warranties and all covenants, indemnities and undertakings contained in this Agreement, shall remain in full force and effect notwithstanding Completion.

29. COUNTERPARTS

This Agreement may be executed in any number of counterparts and by the parties on separate counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This Agreement shall not be effective until each of the parties has executed at least one counterpart.

30. ENTIRE AGREEMENT AND FRAUD

30.1 The Transaction Documents together constitute the entire agreement and understanding of the parties relating to the transactions contemplated by the Transaction Documents, and supersede any previous drafts, agreements, understandings or arrangements between any of the parties relating to such matters, which shall cease to have any further effect.

- 30.2 Nothing in this Agreement shall limit or exclude the liability of the Seller, Lithia JVCo or Lithia for any fraud or wilful misconduct by, the Seller, Lithia JVCo or Lithia or any of their directors, employees, officers, agents or advisers.
- 30.3 Nothing in this Agreement shall limit or exclude the liability of the Buyer or Pinewood US for any fraud or wilful misconduct by, the Buyer or Pinewood US or any of their directors, employees, officers, agents or advisers.

31. APPLICABLE LAW AND JURISDICTION

- 31.1 The validity, construction and performance of this Agreement and any claim, dispute or matter (whether contractual or non-contractual) arising under or in connection with this Agreement or its enforceability shall be governed by and construed in accordance with the law of England and Wales.
- 31.2 Each party irrevocably submits to the exclusive jurisdiction of the courts of England and Wales over any claim, dispute or matter arising under or in connection with this Agreement or its enforceability or the legal relationships established by this Agreement (including non-contractual disputes or claims) and waives any objection to proceedings being brought in such courts or on the grounds that proceedings have been brought in an inconvenient forum.
- 31.3 Lithia JVCo and Lithia shall irrevocably appoint the Seller as its agent to receive on its behalf in England or Wales service of any proceedings arising out of or in connection with this Agreement. Such service shall be deemed completed on delivery to that agent (whether or not it is forwarded to and received by any Lithia JVCo and Lithia (as applicable)). If for any reason the Seller ceases to be able to act as agent or no longer has an address in England or Wales, Lithia JVCo and Lithia shall promptly appoint a replacement agent and shall give notice to the Buyer of the new agent's name and address within England and Wales. Any such change in agent for service shall take effect on the fifth Business Day after the day on which notice of the change is actually received by the Buyer or (if later) on the date (if any) specified in the notice.
- 31.4 Nothing in this Agreement shall affect the right to serve process in any manner permitted by law.

THIS AGREEMENT has been executed by or on behalf of the parties on the date of this Agreement.

SCHEDULE 1
OBLIGATIONS OF THE PARTIES BETWEEN EXCHANGE AND COMPLETION

Part 1
Obligations of the parties in relation to the Conditions

1. OBLIGATIONS OF THE BUYER

- 1.1 Subject to paragraph 2.3, the Buyer shall use all reasonable endeavours (as far as lies within its powers) to ensure that the Pinewood Conditions are satisfied as soon as practicable and in any event no later than the Longstop Date, and shall not, and shall procure that none of its representatives shall, take any action that could reasonably be expected to adversely affect the satisfaction of the Pinewood Conditions.
- 1.2 The Buyer's obligation in paragraph 1.1 to use all reasonable endeavours to ensure that the Pinewood Conditions are satisfied shall include:
- 1.2.1 using all reasonable endeavours to obtain the final approval from the FCA of the Prospectus as soon as reasonably practicable following the date of this Agreement;
 - 1.2.2 ensuring the despatch of the Circular to the Buyer's shareholders as soon as reasonably practicable following the date of this Agreement, such circular to contain the Buyer Recommendation;
 - 1.2.3 ensuring that the Prospectus is published in accordance with the Prospectus Regulation Rules promptly following final approval and stamping by the FCA of the Prospectus;
 - 1.2.4 taking all steps that are reasonably necessary to obtain or otherwise satisfy the Antitrust Condition;
 - 1.2.5 making an appropriate filing pursuant to the HSR Act with respect to the Transaction promptly (and in any event, within twenty-one (21) days) after the date of this Agreement;
 - 1.2.6 supplying as promptly as practicable to the relevant Authority any additional information and documentary material that may be requested in connection with the filing pursuant to the HSR Act or otherwise pursuant to the HSR Act;
 - 1.2.7 responding as promptly as reasonably practicable and advisable to any inquiries or requests for information and documentary material received from any relevant Authority in connection with any antitrust or competition matters related to this Agreement and the Transaction; and
 - 1.2.8 where applicable, procuring that any subsidiary undertaking of the Buyer's Group does the things specified in clauses 1.2.4 and 1.2.7 above,
- save that nothing in paragraph 1.1 shall require the Buyer or the Buyer's directors to take any action (including making any voting recommendation to shareholders) that the Buyer's directors consider would or might be in breach of their statutory or fiduciary directors' duties.
- 1.3 The Buyer agrees to keep the Seller reasonably informed of the progress of all material notifications from any Authority relating to the Pinewood Conditions and, on request, to provide copies of all material communications with any Authority (redacted where such communications

contain confidential information) relating to such notification and the satisfaction of the relevant Pinewood Conditions.

- 1.4 The Buyer agrees to pay its own fees incurred in connection with fulfilment of the Antitrust Condition, except that the HSR Act filing fee shall be borne equally by the Buyer and Lithia.
- 1.5 The Buyer may extend any waiting period or agree to refile under the HSR Act if in its good faith judgment it determines (after consulting in advance with Lithia and in good faith taking Lithia's views into account) that the taking of such action would enhance the likelihood of obtaining any necessary antitrust, competition, fair trade or similar clearance by the Longstop Date.

2. OBLIGATIONS OF THE LITHIA PARTIES

- 2.1 Each of the Lithia Parties shall use all reasonable endeavours (as far as lies within its powers) to ensure that the Lithia Conditions are satisfied as soon as practicable and in any event no later than the Longstop Date, and shall not, and shall procure that none of its representatives shall, take any action that could reasonably be expected to adversely affect the satisfaction of the Lithia Conditions.
- 2.2 The Lithia Parties' obligations in paragraph 2.1 to use all reasonable endeavours to ensure that the Lithia Conditions are satisfied shall include:
 - 2.2.1 taking all steps that are reasonably necessary or advisable to obtain or otherwise satisfy the Antitrust Condition;
 - 2.2.2 making an appropriate filing pursuant to the HSR Act with respect to the Transaction promptly (and in any event, within twenty-one (21) days) after the date of this Agreement;
 - 2.2.3 supplying as promptly as practicable to the relevant Authority any additional information and documentary material that may be requested in connection with the filing pursuant to the HSR Act or otherwise pursuant to the HSR Act;
 - 2.2.4 responding as promptly as reasonably practicable and advisable to any inquiries or requests for information and documentary material received from any relevant Authority in connection with any antitrust or competition matters related to this Agreement and the Transaction; and
 - 2.2.5 where applicable, procuring that any subsidiary undertaking of the Lithia Group does the things specified in this clause 2.2.
- 2.3 Lithia shall provide (and ensure that the Company provides, where applicable) all information reasonably requested by or on behalf of the Buyer to enable it to make any notifications, filings or submissions to, or to respond to any enquiries or requests made by, any Authority, with such information being provided promptly following a request by or on behalf of the Buyer, and in any event in sufficient time to allow the Buyer to meet any deadline set by such Authority.
- 2.4 The Lithia Parties agree to keep the Buyer reasonably informed of the progress of all material notifications relating to the Lithia Conditions and, on request, to provide copies of all material communications with any Authority (redacted where such communications contain confidential information) relating to such notification and the satisfaction of the Lithia Condition.
- 2.5 The Lithia Parties undertake that they shall, and shall procure that all other members of the Lithia Group shall, at their own cost, as soon as reasonably practicable following a request from the Buyer, provide the Buyer with all such assistance, information and documentation relating to the

Seller and the Lithia Group as the Buyer and its professional advisers may reasonably request in connection with the preparation and finalisation of the Circular and the Prospectus as they relate to the Lithia Group.

- 2.6 The Lithia Parties agree to pay their own fees incurred in connection with fulfilment of the Antitrust Condition, except that the HSR Act filing fee shall be borne equally by the Buyer and the Seller.

Part 2

The Seller's Obligations between Exchange and Completion

1. RESTRICTIONS ON THE CONDUCT OF THE COMPANY BETWEEN EXCHANGE AND COMPLETION

- 1.1 Lithia JVCo and the Seller shall exercise such rights as they have as holders of equity interests in the Company, under the Joint Venture Agreement, and pursuant to their seats on the board of the Company so as to each ensure that during the period beginning with the date of this Agreement and ending at Completion, save with the prior written consent of the Buyer, the Company shall not:
- 1.1.1 depart from its ordinary course of business;
 - 1.1.2 allot, issue, redeem, cancel or purchase any of its own shares or other securities or grant any option to subscribe for any such shares or securities;
 - 1.1.3 purchase or otherwise acquire any shares or securities (or any option to acquire any shares or securities) in any other company, or purchase or otherwise acquire any ownership interest (or any option to acquire any ownership interest) in any other undertaking;
 - 1.1.4 grant, issue or redeem any mortgage, charge, debenture or other security;
 - 1.1.5 enter into any Assurance in respect of any obligation of any third party;
 - 1.1.6 pass, propose or circulate any resolution of its shareholders;
 - 1.1.7 declare, make or pay any dividend or other distribution;
 - 1.1.8 incur or assume any financial indebtedness except in the ordinary course of business, or vary the terms of any existing financial indebtedness, or (except in the ordinary course of business) make any payments out of, or drawings on, its bank account(s);
 - 1.1.9 make any loan or advance to any person, including any loan to a director, other than advances by way of deposit with a bank or other financial institution whose normal business includes the acceptance of deposits; or
 - 1.1.10 agree, conditionally or otherwise, to do any of the above activities.

SCHEDULE 2
PRE-COMPLETION MEETING OBLIGATIONS

1. PRE-COMPLETION MEETING OBLIGATIONS OF THE SELLER

- 1.1 The Seller shall deliver or make available to the Buyer's Solicitors (held to the Seller's order pending the occurrence of Completion):
- 1.1.1 a copy of the assignment of equity interests in the Company by Lithia JVCo, in favour of the Seller, in respect of the Sale Interests in the agreed form, duly executed by Lithia JVCo and the Seller;
 - 1.1.2 a copy of a duly executed form W-9 of Lithia (reflecting the name of the Seller on line 2);
 - 1.1.3 a copy of a duly executed joinder by the Seller to the Joint Venture Agreement;
 - 1.1.4 the Sale Interests Assignment, duly executed by the Seller;
 - 1.1.5 the Domain Name Assignment, duly executed by the relevant member of the Lithia Group;
 - 1.1.6 the DMS Agreement duly executed by Lithia;
 - 1.1.7 the resignations of Christopher Holzshu, George Hines and Tina Miller from their respective offices as directors and/or officers of the Company, in the agreed form, duly executed and delivered;
 - 1.1.8 the Director Indemnities, duly executed and delivered by the Seller and the Company;
 - 1.1.9 evidence, in the agreed form, showing repayment of all monies owing to the Company (if any) as required under clause 9.1;
 - 1.1.10 all accounting books and records held by the Seller or Lithia in relation to the operation of the business of the Company as at Completion;
 - 1.1.11 a copy of a duly executed board resolution or duly executed board minutes of the Company, in the agreed form, approving the execution by the Company of any documents which the Company is required to execute or deliver at Completion;
 - 1.1.12 a copy of a duly executed written consent of the sole member of Lithia JVCo approving the execution by Lithia JVCo of any documents which Lithia JVCo is required to execute or deliver at Completion;
 - 1.1.13 a copy of a duly executed board resolution or duly executed board minutes of the Seller, in the agreed form, approving the execution by the Seller of any documents which the Seller is required to execute or deliver at Completion; and
 - 1.1.14 a copy of a duly executed board resolution of Lithia delegating authority for the completion of divestitures which covers the Transaction and approving the execution by the Authorized Officers (as defined therein) on behalf of Lithia of any documents which Lithia is required to execute or deliver at Completion.

2. PRE-COMPLETION OBLIGATIONS OF THE BUYER

- 2.1 The Buyer shall deliver to the Seller or procure the delivery to the Seller (held to the Buyer's order pending the occurrence of Completion) of:

- 2.1.1 a copy of a duly executed written consent of the sole member of Pinewood US approving the execution by Pinewood US of any documents which Pinewood US is required to execute or deliver at Completion;
- 2.1.2 a copy of a duly executed board resolution or duly executed board minutes of the Buyer approving the execution by the Buyer of any documents which the Buyer is required to execute or deliver at Completion;
- 2.1.3 a counterpart copy of the Sale Interests Assignment, duly executed by the Buyer;
- 2.1.4 a counterpart copy of the DMS Agreement, duly executed by the Buyer;
- 2.1.5 evidence, in the agreed form, showing repayment of all monies owing to the Seller, Lithia JVCo, or any member of the Lithia Group (if any) as required under clause 9.3; and
- 2.1.6 a copy of a form W-8BEN-E duly executed by the Buyer.

SCHEDULE 3 WARRANTIES

1. DEFINITION

In this Schedule 3, “**Insolvency Proceedings**” means with respect to any person, whether in the United States of America, England and Wales or any other jurisdiction (i) any case, proceeding or other action (A) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganisation or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganisation, restructuring plan, compromise, arrangement, adjustment, winding up, striking off, liquidation, dissolution, receivership, composition or other relief or similar actions with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets, or any general assignment for the benefit of its creditors; or (ii) there shall be commenced against it any case, proceeding or other action of a nature referred to in clause (i) above that (A) results in the entry of an order for relief or any such adjudication or appointment or (B) remains undismissed, undischarged or unbonded for a period of 60 days; or (iii) there shall be commenced against it any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets that results in the entry of an order for any such relief that shall not have been vacated, discharged, or stayed or bonded pending appeal within 60 days from the entry thereof; or (iv) any person shall take any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), or (iii) above; or (v) any person shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due.

Part 1

Lithia JVCo Warranties

1. TITLE

- 1.1 Lithia JVCo is the legal and beneficial owner of the Sale Interests free from all Encumbrances and is entitled to enjoy and exercise all of the rights of members in relation to the Company.
- 1.2 Lithia JVCo is not and has not been a party to any transaction pursuant to or as a result of which any of the Sale Interests (or any rights in relation to any of the Sale Interests) are, or may become, liable to be transferred or re-transferred to another person.

2. CAPACITY

- 2.1 Lithia JVCo has all necessary capacity, power and authority to enter into and perform its obligations under this Agreement and those of the Transaction Documents to be executed by or on behalf of Lithia JVCo.
- 2.2 Those of the Transaction Documents to be executed by or on behalf of Lithia JVCo pursuant to this Agreement, constitute, or will when executed (and, in the case of a deed, delivered) constitute, binding and enforceable obligations on Lithia JVCo in accordance with their respective terms.
- 2.3 The entering into and performance by Lithia JVCo of its obligations under those of the Transaction Documents to be executed by or on behalf of Lithia JVCo:
 - 2.3.1 will not result in a breach of, or constitute a default under, any agreement or instrument under which Lithia JVCo has rights or by which it is bound;

- 2.3.2 will not result in a breach of the articles of association or equivalent constitutional document of Lithia JVCo;
 - 2.3.3 will not result in a breach of, or default under, any law or Regulatory Requirement under which Lithia JVCo has rights or by which it is bound; and
 - 2.3.4 will not require the consent of any third party.
- 2.4 No Insolvency Proceedings in relation to Lithia JVCo or any part of its assets or undertaking have commenced or are pending or threatened, or are being contemplated by Lithia JVCo, and so far as Lithia JVCo is aware, there are no circumstances that entitle, or may entitle, any person to commence any such Insolvency Proceedings.
- 2.5 Lithia JVCo has not been the subject of any Insolvency Proceedings, nor have any Insolvency Proceedings been pending or threatened against Lithia JVCo or contemplated by Lithia JVCo, in any case during the 12 months ending on the date of this Agreement.
- 2.6 Lithia JVCo has not stopped or suspended payment of its debts and Lithia JVCo is not unable to pay its debts, whether within the meaning of section 123 Insolvency Act 1986 (without any requirement to prove any matter referred to in that section to the satisfaction of the court) or otherwise. So far as Lithia JVCo is aware, there are no circumstances likely to result in Lithia JVCo stopping or suspending payment of such debts, or becoming unable to pay such debts during the 12 months following the date of this Agreement.

Part 2

Seller Warranties

1. TITLE

- 1.1 The Seller is the legal and beneficial owner of the Sale Interests free from all Encumbrances and is entitled to enjoy and exercise all of the rights of members in relation to the Company.
- 1.2 The Seller is not and has not been a party to any transaction pursuant to or as a result of which any of the Sale Interests (or any rights in relation to any of the Sale Interests) are, or may become, liable to be transferred or re-transferred to another person.

2. CAPACITY

- 2.1 The Seller has all necessary capacity, power and authority to enter into and perform its obligations under this Agreement and those of the Transaction Documents to be executed by or on behalf of the Seller.
- 2.2 Those of the Transaction Documents to be executed by or on behalf of the Seller pursuant to this Agreement, constitute, or will when executed (and, in the case of a deed, delivered) constitute, binding and enforceable obligations on the Seller in accordance with their respective terms.
- 2.3 The entering into and performance by the Seller of its obligations under those of the Transaction Documents to be executed by or on behalf of the Seller:
 - 2.3.1 will not result in a breach of, or constitute a default under, any agreement or instrument under which the Seller has rights or by which it is bound;
 - 2.3.2 will not result in a breach of the articles of association or equivalent constitutional document of the Seller;

- 2.3.3 will not result in a breach of, or default under, any law or Regulatory Requirement under which the Seller has rights or by which it is bound; and
 - 2.3.4 will not require the consent of any third party.
- 2.4 No Insolvency Proceedings in relation to the Seller or any part of its assets or undertaking have commenced or are pending or threatened, or are being contemplated by the Seller, and so far as the Seller is aware, there are no circumstances that entitle, or may entitle, any person to commence any such Insolvency Proceedings.
- 2.5 The Seller has not been the subject of any Insolvency Proceedings, nor have any Insolvency Proceedings been pending or threatened against the Seller or contemplated by the Seller, in any case during the 12 months ending on the date of this Agreement.
- 2.6 The Seller has not stopped or suspended payment of its debts and the Seller is not unable to pay its debts, whether within the meaning of section 123 Insolvency Act 1986 (without any requirement to prove any matter referred to in that section to the satisfaction of the court) or otherwise. So far as the Seller is aware, there are no circumstances likely to result in the Seller stopping or suspending payment of such debts, or becoming unable to pay such debts during the 12 months following the date of this Agreement.
- 2.7 The Seller is wholly-owned by Lithia and treated and properly classified as an entity disregarded as separate from Lithia for U.S. federal income Tax purposes within the meaning of Section 301.7701-3(a) of the U.S. Treasury Regulations
- 2.8 Neither Seller nor its affiliates have granted any power of attorney that is currently in force with respect to any Tax matter relating to any JV Group Company.

Part 3

Lithia Parent Warranties

1. CAPACITY

- 1.1 Lithia has all necessary capacity, power and authority to enter into and perform its obligations under this Agreement and those of the Transaction Documents to be executed by or on behalf of Lithia.
- 1.2 Those of the Transaction Documents to be executed by or on behalf of Lithia pursuant to this Agreement, constitute, or will when executed (and, in the case of a deed, delivered) constitute, binding and enforceable obligations on Lithia in accordance with their respective terms.
- 1.3 The entering into and performance by Lithia of its obligations under those of the Transaction Documents to be executed by or on behalf of Lithia:
 - 1.3.1 will not result in a breach of, or constitute a default under, any agreement or instrument under which Lithia has rights or by which it is bound;
 - 1.3.2 will not result in a breach of the articles of association or equivalent constitutional document of Lithia;
 - 1.3.3 will not result in a breach of, or default under, any law or Regulatory Requirement under which Lithia has rights or by which it is bound; and
 - 1.3.4 will not require the consent of any third party.
- 1.4 No Insolvency Proceedings in relation to Lithia or any part of its assets or undertaking have commenced or are pending or threatened, or are being contemplated by Lithia, and so far as Lithia

is aware, there are no circumstances that entitle, or may entitle, any person to commence any such Insolvency Proceedings.

- 1.5 Lithia has not been the subject of any Insolvency Proceedings, nor have any Insolvency Proceedings been pending or threatened against Lithia or contemplated by Lithia, in any case during the 12 months ending on the date of this Agreement.
- 1.6 Lithia has not stopped or suspended payment of its debts and Lithia is not unable to pay its debts, whether within the meaning of section 123 Insolvency Act 1986 (without any requirement to prove any matter referred to in that section to the satisfaction of the court) or otherwise. So far as Lithia is aware, there are no circumstances likely to result in Lithia stopping or suspending payment of such debts, or becoming unable to pay such debts during the 12 months following the date of this Agreement.

Part 4

Pinewood Warranties

1. CAPACITY

- 1.1 The Buyer has all necessary capacity, power and authority to enter into and perform its obligations under this Agreement and those of the Transaction Documents to be executed by or on behalf of the Buyer.
- 1.2 Those of the Transaction Documents to be executed by or on behalf of the Buyer pursuant to this Agreement, constitute, or will when executed (and, in the case of a deed, delivered) constitute, binding and enforceable obligations on the Buyer in accordance with their respective terms.
- 1.3 The entering into and performance by the Buyer of its obligations under those of the Transaction Documents to be executed by or on behalf of the Buyer:
 - 1.3.1 will not result in a breach of, or constitute a default under, any agreement or instrument under which the Buyer has rights or by which it is bound;
 - 1.3.2 will not result in a breach of the articles of association or equivalent constitutional document of the Buyer;
 - 1.3.3 will not result in a breach of, or default under, any law or Regulatory Requirement under which the Buyer has rights or by which it is bound; and
 - 1.3.4 will not require the consent of any third party.
- 1.4 No Insolvency Proceedings in relation to the Buyer or any part of its assets or undertaking have commenced or are pending or threatened, or are being contemplated by the Buyer, and so far as the Buyer is aware, there are no circumstances that entitle, or may entitle, any person to commence any such Insolvency Proceedings.
- 1.5 The Buyer has not been the subject of any Insolvency Proceedings, nor have any Insolvency Proceedings been pending or threatened against the Buyer or contemplated by the Buyer, in any case during the 12 months ending on the date of this Agreement.
- 1.6 The Buyer has not stopped or suspended payment of its debts and the Buyer is not unable to pay its debts, whether within the meaning of section 123 Insolvency Act 1986 (without any requirement to prove any matter referred to in that section to the satisfaction of the court) or otherwise. So far as the Buyer is aware, there are no circumstances likely to result in the Buyer

stopping or suspending payment of such debts, or becoming unable to pay such debts during the 12 months following the date of this Agreement.

2. CONSIDERATION SHARES

- 2.1 As at the date of their issue to the Seller, the Consideration Shares will be freely transferable (subject to the terms of the Lock-in and the Relationship Agreement), have the rights set out in the articles of association of the Buyer and rank *pari passu* among themselves, as applicable.
- 2.2 As at the date of the creation, allotment and issue of the Consideration Shares, the directors of the Buyer shall have due authority to allot and issue the Consideration Shares and such shares, when allotted and issued, will have been duly and validly allotted and issued.
- 2.3 As at the date of their issue to the Seller, the Consideration Shares will be duly and validly authorised and, upon allotment and issue as provided in this Agreement, will be fully paid up (or credited as fully paid up) as to an amount equal to the Consideration and free from any Encumbrances, save for any Encumbrances created pursuant to this Agreement or the Lock-in.

SCHEDULE 4 TAX MATTERS

1. TRANSFER TAXES

- 1.1 Buyer and Seller shall each be liable for 50% of (and, promptly upon request, Buyer and Seller shall each reimburse the other Party for their 50% share of) all sales, use, transfer, real property transfer, value-added, stamp, documentary, recording, and similar Taxes and fees, and any deficiency, interest, or penalty asserted with respect thereto, arising out of or in connection with the transactions effected in connection with and pursuant to this Agreement and the other Transaction Documents (collectively, “**Transfer Taxes**”). The party required under applicable law to do so shall, at its expense, timely file or cause to be timely filed all necessary documentation and Tax Returns with respect to such Transfer Taxes.

2. PARTNERSHIP TAX MATTERS

- 2.1 If the Buyer, any JV Group Company or any of their respective affiliates receives any written notice of any audit or examination, assessment for additional Taxes, Tax deficiency or other adjustment of Taxes after Completion relating to a Pass-Through Tax Return of any JV Group Company for any Pre-Completion Tax Period or any Straddle Period (each, a “**Pass-Through Tax Claim**”), the Buyer shall promptly notify the Seller in writing of such Pass-Through Tax Claim. Such written notice shall be accompanied by copies of any notice or other documents received from any Authority with respect to such Pass-Through Tax Claim. The Buyer shall control the conduct of any Pass-Through Tax Claim; provided (a) the Buyer shall keep the Seller reasonably informed regarding the progress and substantive aspects of such Pass-Through Tax Claim, (b) the Seller shall be entitled to participate in such Pass-Through Tax Claim through counsel of its choosing at its own cost and expense and (c) the Buyer shall not compromise or settle any such Pass-Through Tax Claim without obtaining the Seller’s prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed). With respect to any Pass-Through Tax Claim, notwithstanding anything herein to the contrary, unless otherwise determined by the Buyer, (i) the Company shall make the election under Code section 6226(a) with respect to the alternative payment of imputed underpayment of the Company and any corresponding election under state or local Law, and (ii) neither the Company nor any of its members shall, or permit their respective affiliates to, elect under section 1101(g)(4) of the Bipartisan Budget Act of 2015 to have the amendments made by such provisions apply to any Pass-Through Tax Return of the Company with respect to any pre-Completion period prior to 2018. “Partnership Audit Rules” means Code sections 6221 through 6241 and section 1101(g)(4) of the U.S. Bipartisan Budget Act of 2015, together with any guidance issued thereunder or successor provisions and any similar provision of state or local tax Laws.
- 2.2 The Buyer shall, at its own expense, prepare and timely file, or cause to be prepared and timely filed, all Pass-Through Tax Returns of the JV Group for any Pre-Completion Tax Period or any Straddle Period that are due after the Completion Date (“**Relevant Pass-Through Tax Returns**”). All such Relevant Pass-Through Tax Returns shall be prepared in a manner consistent with past practice of the JV Group unless otherwise required by applicable law. The Buyer shall provide the Seller with copies of all such Relevant Pass-Through Tax Returns no later than forty-five (45) days prior to the due date for filing thereof (including applicable extensions) for the Seller’s review and comments and shall incorporate any reasonable comments provided by the Seller to such Relevant Pass-Through Tax Returns. For purposes of preparing any Relevant Pass-Through Tax Return for a Straddle Period, the parties agree (a) Buyer may, in its discretion, make

an election under Section 754 of the Code for the taxable year that includes the Completion Date and (b) for purposes of allocating income, gain, loss, deduction and any other items between the Seller and the Buyer for the Straddle Period, the Company and any member of the JV Group that is a partnership for U.S. federal income tax purposes shall use the interim closing method and calendar day convention under Section 706 of the Code and the Treasury Regulations promulgated thereunder.

- 2.3 After Completion, to the extent any of the following actions relate to any Pass-Through Tax Return of any JV Group Company for any Pre-Completion Tax Period or Straddle Period, the Buyer and its affiliates (including, after Completion, the JV Group Companies) shall not, unless otherwise required pursuant to a “determination” (as defined in Section 1313(a) of the Code), take any such action without the prior written consent of the Seller (not to be unreasonably withheld, conditioned or delayed): (a) amend any previously filed Tax Return of any JV Group Company, (b) file, or cause to be filed, any Tax Return of any JV Group Company in a manner inconsistent with past practice or, with respect to any Tax, in a jurisdiction in which such JV Group Company has not historically filed Tax Returns with respect to such Tax, (c) make or change any Tax election with respect to any JV Group Company, (d) extend or waive any statute of limitations with respect to Tax Returns of any JV Group Company, (e) initiate examinations with a taxing authority or make any voluntary disclosures with respect to Taxes of any JV Group Company, or (f) compromise or settle any Tax liability of any JV Group Company. The Buyer and its affiliates (including, after Completion, the JV Group Companies) shall not take any action on the Completion Date after Completion other than in the ordinary course of business that could reasonably be expected to increase any Tax liability for the Seller with respect to any Pass-Through Tax Return for any Pre-Completion Tax Period; provided, the parties acknowledge and agree that the Buyer shall be permitted to contribute the Sale Interests to Pinewood US immediately after the Completion on the Completion Date.

3. TAX TREATMENT

- 3.1 The parties intend that the acquisition of the Sale Interests will be treated for income tax purposes as a taxable sale by Seller of the Sale Interests.

4. TAX ALLOCATIONS

- 4.1 The Consideration paid to the Seller (taking into account any adjustments thereto in accordance with this Agreement) plus any relevant liabilities and other amounts treated as consideration for U.S. federal income Tax purposes (“**Allocable Consideration**”) shall be allocated among the assets of the Company pursuant to Sections 755 and 1060 of the Code and applicable Treasury Regulations in accordance with the methodology set forth below (the “**Purchase Price Allocation**”). Within 60 days after the Completion Date, the Buyer will provide to Seller with a draft of the Buyer’s proposed allocation of the Consideration, which allocation shall be prepared in accordance with the methodologies set forth in this Schedule 4. The Seller shall have forty-five (45) days after receipt of the Purchase Price Allocation within which to review and deliver written objections, if any. If the Seller timely objects in writing, then the Seller and the Buyer shall work together in good faith to resolve the disputed items for a period of twenty (20) days or such longer period of time as mutually agreed. If the Seller does not provide an such objection to the Purchase Price Allocation as proposed by the Buyer, or the Seller objects but the parties are able to subsequently reach agreement as to the Purchase Price Allocation, the parties agree, for all income Tax purposes, to report the transactions consistently with the Purchase Price Allocation as proposed by the Buyer or as agreed by the Seller and the Buyer, as applicable, and to not take any

position during the course of any audit or other Tax matter inconsistent with such final allocation, except, in each case, as otherwise required by a change in Law or pursuant to a final determination (as defined in Section 1313(a) of the Code) of an Authority. If the Seller objects to the Purchase Price Allocation as proposed by the Buyer and the parties are unable reach agreement on the allocation within twenty (20) of receipt by the Buyer of such objection or such longer period of time as mutually agreed, each Party may allocate the Allocable Consideration as each such party deems reasonable, in its sole discretion.

- 4.2 The Allocable Consideration shall be allocated in accordance with the principles set forth below. Class references shall conform to Section 1060 of the Code.

Class	Allocation of Allocable Consideration
I (cash, demand deposits, etc.)	██████████
II (marketable stock, government securities, etc.)	██████████
III (accounts receivables, mortgages, etc.)	██████████
IV (inventory, etc.)	██████████
V (assets other than Class I, II, III, IV, VI, or VII assets)	██████████
Restrictive covenants pursuant to clause 16 (including the non-compete undertaking in clause 16.1.1)	██████████
VI & VII (§197 intangibles other than goodwill and going concern value)	██████████

5. COOPERATION

- 5.1 The Seller and the Buyer shall cooperate fully, as and to the extent reasonably requested, in connection with (i) the filing of Tax Returns, (ii) any audit, litigation or other proceeding with respect to Taxes and Tax Returns and (iii) the preparation of any financial statements to the extent related to Taxes, in each case, with respect to the JV Group for any Pre-Completion Tax Period or Straddle Period. Such cooperation shall include the retention, and (upon the other party's request) the provision, of records and information which are reasonably relevant to any such audit, litigation or other proceeding and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder; provided that, the party requesting assistance shall pay the reasonable out-of-pocket expenses incurred by the party providing such assistance; provided, further, that no party shall be required to provide assistance at times or in amounts that would interfere unreasonably with the business and operations of such party.

SCHEDULE 5
LIMITATIONS ON SELLER'S LIABILITY

1. FINANCIAL LIMIT

- 1.1 The maximum aggregate liability of the Lithia Parties for all Claims, excluding any liability for costs and interest, shall not exceed the Consideration (whether or not actually received by the Seller).

2. NOTICES

- 2.1 If, after Completion, the Buyer becomes aware of any fact, matter, circumstance or event giving rise to or that it knows is likely to give rise to a Claim, it shall give notice to the Seller as soon as reasonably practicable after so becoming aware, giving reasonable details (to the extent then known by the Buyer) of the matter and a good faith estimate (if practicable) of the amount of any Claim likely to arise from that matter and specifying (without prejudice to the Buyer's right subsequently to identify other Warranties or provisions of this Agreement which are breached by the same facts) the specific Warranties or other provisions of this Agreement which are alleged to have been breached. No breach of this paragraph shall invalidate any Claim that the Buyer might make, except to the extent that the Lithia Parties' ability to defend such Claim is prejudiced or the liability of the Seller (or reasonably and properly incurred costs and expenses of the Seller in defending such Claim) is increased as a result of such breach.
- 2.2 The Lithia Parties shall not be liable in respect of any Claim arising from any fact, matter, event or circumstance if, on or before the date falling 25 Business Days after the day on which notice of that fact, matter, event or circumstance is given under paragraph 2.1, the Seller has either prevented the Buyer from suffering any Losses in respect of that fact, matter, event or circumstance or has caused any Losses so suffered by the Buyer to be made good. The Buyer shall comply with all reasonable requests made by the relevant Lithia Party during that period for the purposes of preventing any such Losses or causing them to be made good.

3. TIME LIMITS

The Lithia Parties shall not be liable in respect of any Claim unless notice of the Claim is given on or before the fourth anniversary of the Completion Date.

Signed by)
for and on behalf of)
PINEWOOD TECHNOLOGIES GROUP)
PLC)
Director/Duly Authorised Signatory)

Signed by)
for and on behalf of)
PINEWOOD US HOLDINGS LLC)
Director/Duly Authorised Signatory)

Signed by)
for and on behalf of)
LITHIA MOTORS, INC.)
Director/Duly Authorised Signatory)

Signed by)
for and on behalf of)
PNA HOLDING LLC)
Director/Duly Authorised Signatory)

Signed by)
for and on behalf of)
PINEWOOD NORTH AMERICA LLC)
Director/Duly Authorised Signatory)


Signed by)
for and on behalf of)
LITHIA UK HOLDING LIMITED)
Director/Duly Authorised Signatory)

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PINEWOOD TECHNOLOGIES GROUP)
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for and on behalf of)
LITHIA UK HOLDING LIMITED)
) Director/Duly Authorised Signatory