UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES ACT OF 1934**

For the fiscal year ended June 30, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

Commission file number 001-38607

ENDAVA PLC

(Exact name of Registrant as specified in its charter and translation of Registrant's name into English)

England and Wales
(Jurisdiction of Incorporation or Organization)
125 Old Broad Street,
London EC2N 1AR
(Address of principal executive offices)

John Cotterell
Chief Executive Officer
Endava PLC
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London EC2N 1AR
Tel: +44 20 7367 1000
Email: investors@endava.com
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
American Depositary Shares, each representing the right to receive one Class A ordinary share, nominal value £0.02 per share	**DAVA**	**New York Stock Exchange**
Class A ordinary shares, nominal value £0.02 per share*		**New York Stock Exchange**

* Not for trading, but only in connection with the registration of the American Depositary Shares.

Securities registered or to be registered pursuant to Section 12(g) of the Act. None
Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

Ordinary shares, nominal value £0.02 per ordinary share: 54,928,169, as of June 30, 2020. As of June 30, 2020, 28,823,893 Class A ordinary shares, 20,455,733 Class B ordinary shares and 5,648,543 Class C ordinary shares were outstanding.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Financial Reporting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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CERTAIN DEFINED TERMS AND PRESENTATION OF FINANCIAL INFORMATION

Unless otherwise indicated or the context otherwise requires, all references in this Annual Report on Form 20-F to the terms "Endava," "Endava Limited," "Endava plc," the "Group," the "Company," "we," "us," and "our" refer to (i) Endava Limited and our wholly-owned subsidiaries for all periods prior to the completion of our corporate reorganization and (ii) Endava plc and our wholly-owned subsidiaries for all periods after the re-registration of Endava Limited as a public limited company. On July 6, 2018, we re-registered Endava Limited as a public limited company and our name was changed from Endava Limited to Endava plc.

Our fiscal year ends on June 30. Our audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB. None of our financial statements were prepared in accordance with generally accepted accounting principles in the United States, or U.S. GAAP.

Our financial information is presented in British Pounds. For the convenience of the reader, in this Annual Report on Form 20-F, unless otherwise indicated, translations from British Pounds into U.S. dollars were made at the rate of £1.00 to 1.2303, which was the rate in effect on June 30, 2020. Such U.S. dollar amounts are not necessarily indicative of the amounts of U.S. dollars that could actually have been purchased upon exchange of British Pounds at the dates indicated. All references in this Annual Report on Form 20-F to "$" mean U.S. dollars and all references to "£" and "GBP" mean British Pounds.

We have made rounding adjustments to some of the figures included in this Annual Report on Form 20-F. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 20-F contains statements that constitute forward-looking statements. Many of the forward-looking statements contained in this Annual Report on Form 20-F can be identified by the use of forward-looking words such as "anticipate," "believe," "could," "estimate," "expect," "intend," "plan," "potential" and "should," among others.

Forward-looking statements appear in a number of places in this Annual Report on Form 20-F and include, but are not limited to, statements regarding our intent, belief, or current expectations. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. Such statements are subject to substantial risks and uncertainties, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various important factors, including, but not limited to, those identified under "Risk Factors." In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a guarantee by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all.

Forward-looking statements include, but are not limited to, statements about:

- the effects of the ongoing COVID-19 pandemic, or of other global outbreaks of pandemics or contagious diseases or fear of such outbreaks, including on the demand for our products and services, and on overall economic conditions and business customer spending levels;
- our ability to sustain our revenue growth rate in the future;
- our ability to retain existing clients and attract new clients, including our ability to increase revenue from existing clients and diversify our revenue concentration;
- our ability to attract and retain highly-skilled IT professionals at cost-effective rates;
- our ability to successfully identify acquisition targets, consummate acquisitions and successfully integrate acquired businesses and personnel;
- our ability to penetrate new industry verticals and geographies and grow our revenue in current industry verticals and geographies;
- our ability to maintain favorable pricing and utilization rates;
- the effects of increased competition as well as innovations by new and existing competitors in our market;
- the size of our addressable market and market trends;
- our ability to adapt to technological change and innovate solutions for our clients;
- our plans for growth and future operations, including our ability to manage our growth;
- our expectations of future operating results or financial performance;
- our ability to effectively manage our international operations, including our exposure to foreign currency exchange rate fluctuations; and
- our future financial performance, including trends in revenue, cost of sales, gross profit, selling, general and administrative expenses, finance income and expense and taxes.

Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this Annual Report on Form 20-F and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this Annual Report on Form 20-F and the documents that we reference herein and have filed as exhibits to this Annual Report on Form 20-F, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

MARKET AND INDUSTRY DATA

Certain industry data and market data included in this Annual Report on Form 20-F were obtained from independent third-party surveys, market research, publicly available information, reports of governmental agencies, and industry publications and surveys. All of the market data used in this Annual Report on Form 20-F involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. We believe that the information from these industry publications and surveys included in this Annual Report on Form 20-F is reliable. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors." These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

PART 1

Item 1. Identity of Directors, Senior Management and Advisers

Not Applicable.

Item2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. Selected Financial Data

The following tables set forth our selected consolidated financial data for the five years ended June 30, 2020. We have derived the consolidated statement of comprehensive income data for the fiscal years ended June 30, 2020, 2019 and 2018 and the consolidated balance sheet data as of June 30, 2020 and 2019 from our audited consolidated financial statements included elsewhere in this Annual Report on Form 20-F. We have derived the consolidated statements of comprehensive income data for the fiscal years ended June 30, 2017 and 2016 and the consolidated balance sheet data as of June 30, 2018, 2017 and 2016 from our audited financial statements not included elsewhere in this Annual Report on Form 20-F. Our historical results are not necessarily indicative of the results that should be expected for any future period. This data should be read together with, and is qualified in its entirety by reference to, "Item 5. Operating and Financial Review and Prospects" as well as our consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 20-F.

We maintain our books and records in British Pounds, and we prepare our financial statements in accordance with IFRS as issued by the IASB. We report our financial results in British Pounds.

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
	(in thousands, except for share and per share amounts)				
Consolidated Statement of Comprehensive Income Data:					
Revenue	£ 350,950	£ 287,930	£ 217,613	£ 159,368	£ 115,432
Cost of sales:					
Direct cost of sales[1]	(233,352)	(174,152)	(132,775)	(98,853)	(68,517)
Allocated cost of sales	(17,447)	(14,951)	(12,668)	(9,907)	(6,529)
Total cost of sales	(250,799)	(189,103)	(145,443)	(108,760)	(75,046)
Gross profit	100,151	98,827	72,170	50,608	40,386
Selling, general and administrative expenses[1]	(78,279)	(65,857)	(46,737)	(27,551)	(20,453)
Operating profit	21,872	32,970	25,433	23,057	19,933
Net finance income/(expense)	1,169	(2,870)	(783)	(1,357)	898
Gain on sale of subsidiary	2,215	—	—	—	—
Profit before tax	25,256	30,100	24,650	21,700	20,831
Tax on profit on ordinary activities	(3,846)	(6,093)	(5,675)	(4,868)	(4,125)
Profit for the year and profit attributable to the equity holders of the Company	£ 21,410	£ 24,007	£ 18,975	£ 16,832	£ 16,706
Earnings per share, basic	£ 0.40	£ 0.48	£ 0.42	£ 0.37	£ 0.37
Earnings per share, diluted	£ 0.38	£ 0.44	£ 0.38	£ 0.34	£ 0.34
Weighted average number of shares outstanding, basic	53,423,575	50,116,979	45,100,165	45,258,750	45,389,210
Weighted average number of shares outstanding, diluted	56,065,080	55,026,223	50,426,216	49,292,520	49,318,045
Other Financial Data:					
Revenue period-over-period growth rate	21.9%	32.3%	36.5%	38.1%	37.2%
Profit before tax margin	7.2%	10.5%	11.3%	13.6%	18.0%
Net cash provided by operating activities	£ 40,243	£ 35,348	£ 33,984	£ 14,740	£ 10,897

(1) Includes share-based compensation expenses as follows:

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
	(in thousands)				
Direct cost of sales	£ 8,941	£ 5,724	£ 1,006	£ 560	£ 587
Selling, general and administrative expenses	6,722	6,298	499	294	181
Total	£ 15,663	£ 12,022	£ 1,505	£ 854	£ 768

	As of June 30,				
	2020[2]	2019	2018	2017	2016
	(in thousands)				
Consolidated Balance Sheet Data:					
Cash and cash equivalents	£ 101,327	£ 70,172	£ 15,048	£ 23,571	£ 12,947
Working capital[1]	111,061	82,676	(3,042)	11,028	3,180
Total assets	360,943	222,678	151,014	106,382	72,897
Total liabilities	124,616	56,349	81,515	57,662	43,104
Total equity	236,327	166,329	69,499	48,720	29,793

(1) Working capital is defined as total current assets minus total current liabilities.

(2) The Group has adopted IFRS 16 using the modified retrospective basis of adoption with the date of initial application of July 1, 2019. Prior year comparatives have not been restated for the effect of IFRS 16 and are presented as historically disclosed under IAS 17.

Non-IFRS Measures and Other Management Metrics

We regularly monitor a number of financial and operating metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. Our management metrics may be calculated in a different manner than similarly titled metrics used by other companies.

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
	(pounds in thousands)				
Revenue growth rate at constant currency[(1)]	21.0%	31.1%	37.2%	28.5%	36.6%
Average number of employees involved in delivery of our services[(2)]	5,633	4,902	3,957	3,181	2,336
Revenue concentration[(3)]	38.1%	37.7%	41.5%	49.1%	53.7%
Number of large clients[(4)]	65	63	46	34	26
Adjusted profit before taxes margin[(5)]	19.5%	18.0%	15.4%	15.8%	19.7%
Adjusted free cash flow[(6)]	£ 31,446	£ 29,806	£ 28,727	£ 11,186	£ 10,115

(1) We monitor our revenue growth rate at constant currency. As the impact of foreign currency exchange rates is highly variable and difficult to predict, we believe revenue growth rate at constant currency allows us to better understand the underlying business trends and performance of our ongoing operations on a period-over-period basis. We calculate revenue growth rate at constant currency by translating revenue from entities reporting in foreign currencies into British Pounds using the comparable foreign currency exchange rates from the prior period. For example, the average rates in effect for the fiscal year ended June 30, 2019 were used to convert revenue for the fiscal year ended June 30, 2020 and the revenue for the comparable prior period ended June 30, 2019, rather than the actual exchange rates in effect during the respective period. Revenue growth rate at constant currency is not a measure calculated in accordance with IFRS. While we believe that revenue growth rate at constant currency provides useful information to investors in understanding and evaluating our results of operations in the same manner as our management, our use of revenue growth rate at constant currency has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under IFRS. Further, other companies, including companies in our industry, may report the impact of fluctuations in foreign currency exchange rates differently, which may reduce the value of our revenue growth rate at constant currency as a comparative measure. The following table presents a reconciliation of revenue growth rate at constant currency to revenue growth rate, the most directly comparable financial measure calculated and presented in accordance with IFRS, for each of the periods indicated:

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
	(pounds in thousands)				
Revenue	£ 350,950	£ 287,930	£ 217,613	£ 159,368	£ 115,432
Revenue period-over-period growth rate	21.9 %	32.3 %	36.5%	38.1 %	37.2 %
Estimated impact of foreign currency exchange rate fluctuations	(0.9)%	(1.2)%	0.7%	(9.6)%	(0.6)%
Revenue growth rate at constant currency	21.0 %	31.1 %	37.2%	28.5 %	36.6 %

(2) We monitor our average number of employees involved in delivery of our services because we believe it gives us visibility to the size of both our revenue-producing base and our most significant cost base, which in turn allows us better understand changes in our utilization rates and gross margins on a period-over-period basis. We calculate average number of employees involved in delivery of our services as the average of our number of full-time employees involved in delivery of our services on the last day of each month in the relevant period.

(3) We monitor our revenue concentration to better understand our dependence on large clients on a period-over-period basis and to monitor our success in diversifying our revenue basis. We define revenue concentration as the percent of our total revenue derived from our 10 largest clients by revenue in each period presented.

(4) We monitor our number of large clients to better understand our progress in winning large contracts on a period-over-period basis. We define number of large clients as the number of clients from whom we generated more than £1.0 million of revenue in the prior 12-month period.

(5) We monitor our adjusted profit before taxes margin, or Adjusted PBT Margin, to better understand our ability to manage operational costs, to evaluate our core operating performance and trends and to develop future operating plans. In particular, we believe that the exclusion of certain expenses in calculating Adjusted PBT Margin facilitates comparisons of our operating performance on a period-over-period basis. Our Adjusted PBT Margin is our Adjusted PBT as a percentage of our total revenue. Our Adjusted PBT, is our profit before taxes adjusted to exclude the impact of share-based compensation expense, discretionary EBT bonus, amortization of acquired intangible assets, realized and unrealized foreign currency exchange gains and losses, initial public offering expenses incurred, Sarbanes-Oxley compliance readiness expenses, net gain disposal of subsidiary, fair

value movement of contingent consideration, secondary offering expenses incurred and stamp duty on transfer of shares. Share-based compensation expense, amortization of acquired intangible assets, unrealized foreign currency exchange gains and losses and fair value movement of contingent consideration are non-cash expenses. We do not consider these excluded items to be indicative of our core operating performance. Adjusted PBT Margin is not a measure calculated in accordance with IFRS. While we believe that Adjusted PBT Margin provides useful information to investors in understanding and evaluating our results of operations in the same manner as our management, our use of Adjusted PBT Margin has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under IFRS. For example, Adjusted PBT Margin does not reflect the potentially dilutive impact of share-based compensation nor does it reflect the potentially significant impact of foreign currency exchange rate fluctuations on our working capital. Further, other companies, including companies in our industry, may adjust their profit differently to capture their operating performance, which may reduce the value of Adjusted PBT Margin as a comparative measure. The following table presents a reconciliation of Adjusted PBT to profit before taxes, the most directly comparable financial measure calculated and presented in accordance with IFRS, for each of the periods indicated:

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
	(in thousands)				
Profit before taxes	£ 25,256	£ 30,100	£ 24,650	£ 21,700	£ 20,831
Share-based compensation expense	15,663	12,022	1,505	854	768
Amortization of acquired intangibles assets	4,075	3,472	2,653	1,715	1,165
Foreign currency exchange (gains) losses net	(2,054)	(2,945)	17	967	(4)
Discretionary EBT bonus	27,874	—	—	—	—
Net gain on disposal of subsidiary	(2,215)	—	—	—	—
Initial public offering expenses incurred	—	1,055	4,537	—	—
Sarbanes-Oxley compliance readiness expenses incurred	—	1,440	106	—	—
Secondary offering expenses incurred	—	1,009	—	—	—
Stamp duty on transfer of shares	—	10	—	—	—
Fair value movement of contingent consideration	—	5,805	—	—	—
Adjusted PBT	£ 68,599	£ 51,968	£ 33,468	£ 25,236	£ 22,760

(6) We monitor our adjusted free cash flow to better understand and evaluate our liquidity position and to develop future operating plans. Our adjusted free cash flow is our net cash provided by operating activities, plus grant received, less purchases of non-current tangible and intangible assets. For a discussion of grant received, see "Operating Results—Basis of Presentation—Cost of Sales." Adjusted free cash flow is not a measure calculated in accordance with IFRS. While we believe that adjusted free cash flow provides useful information to investors in understanding and evaluating our liquidity position in the same manner as our management, our use of adjusted free cash flow has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under IFRS. Further, other companies, including companies in our industry, may adjust their cash flows differently to capture their liquidity, which may reduce the value of free cash flow as a comparative measure. The following table presents a reconciliation of adjusted free cash flow to net cash provided by operating activities, the most directly comparable financial measure calculated and presented in accordance with IFRS, for each of the periods indicated:

	Fiscal Year Ended June 30,				
	2020	2019	2018	2017	2016
	(in thousands)				
Net cash provided by operating activities	£ 40,243	£ 35,348	£ 33,984	£ 14,740	£ 10,897
Grant received	888	1,784	147	2,924	1,948
Purchases of non-current assets (tangible and intangible)	(9,685)	(7,326)	(5,404)	(6,478)	(2,730)
Adjusted free cash flow	**£ 31,446**	**£ 29,806**	**£ 28,727**	**£ 11,186**	**£ 10,115**

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business faces significant risks. You should carefully consider all of the information set forth in this annual report and in our other filings with the United States Securities and Exchange Commission, or "SEC", including the following risk factors which we face and which are faced by our industry. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. This report also contains forward-looking statements that involve risks and uncertainties. Our results could materially differ from those anticipated in these forward-looking statements, as a result of certain factors including the risks described below and elsewhere in this report and our other SEC filings. See "Cautionary Statement Regarding Forward-Looking Statements" above.

Risks Related to Our Business and Industry

Our results of operations may be negatively impacted by the COVID-19 pandemic.

The ongoing COVID-19 pandemic has resulted in many countries around the world imposing lockdowns, shelter-in-place orders, quarantines, restrictions on travel and mass gatherings, including the cancellation of trade shows and other events, and the extended shutdown of certain non-essential businesses that cannot be conducted remotely. While the potential economic impact brought by, and the duration of, the ongoing COVID-19 pandemic is difficult to assess or predict, it has resulted in significant disruption of global financial markets, which may reduce our ability to access capital and which could negatively affect our liquidity in the future. In addition, ongoing global economic uncertainty resulting from the spread of COVID-19 could materially affect our business, including the demand for our services, and the value of our ADSs. This financial uncertainty may also negatively impact pricing for our services or cause our clients to reduce or postpone their technology spending significantly, which may, in turn, lower the demand for our services and negatively affect our revenue, profitability and cash flows. The increased uncertainty and disruption to global markets may also negatively impact our growth opportunities whether organically or through acquisitions.

Furthermore, if a significant number of our employees are infected with SARS-CoV-2 and have COVID-19 and are unable to work, then our ability to deliver for our clients and run our business could be negatively affected.

While it is not possible at this time to estimate the full impact that the COVID-19 pandemic could have on worldwide economic activity and our business in particular, the continued spread of COVID-19 and the measures, and the market participant's perception and responses to the measures, taken by governments, businesses and other organizations in response to COVID-19 could materially and adversely impact our business, results of operations and financial condition.

In addition, to the extent the ongoing COVID-19 pandemic adversely affects our business, results of operations and financial condition, it may also have the effect of heightening many of the other risks and uncertainties described in this "Risk Factors" section which may materially and adversely affect our business, results of operations and financial condition.

We have taken certain precautions due to the ongoing COVID-19 pandemic that could harm our business.

In light of the uncertain and rapidly evolving situation relating to the ongoing COVID-19 pandemic, we have taken temporary precautionary measures intended to help minimize the risk of the virus to our employees, our customers, and the communities in which we participate, which could negatively impact our business. As a company with employees, customers, partners and investors across the globe, we believe in upholding our company value of being good citizens by doing our part to help slow the spread of the virus. To this end, we have enabled all of our employees to work remotely in compliance with relevant government advice and have suspended all non-essential travel worldwide for our employees. In addition, we have cancelled or postponed company-sponsored events, including employee attendance at industry events and non-essential in-person work-related meetings. While we have a distributed workforce and our employees are accustomed to working remotely or working with other remote employees, our workforce is not fully remote. Our employees travel frequently to establish and maintain relationships with one another and with our customers, and many of our business processes assume that employees can meet with customers and prospective customers in person. Although we continue to monitor the situation and may adjust our current policies as more information and guidance become available, temporarily suspending travel and doing business in-person could

negatively impact our marketing efforts, challenge our ability to enter into customer contracts in a timely manner, slow down our recruiting efforts, or create operational or other challenges, including decreased productivity, as we adjust to a fully-remote workforce, any of which could harm our business. Though we are taking these precautionary measures as well as preparing our systems for the likelihood of increased cybersecurity threats, there is no guarantee that our precautions will fully protect our employees or enable us to maintain our productivity. The full extent to which the ongoing COVID-19 pandemic and our precautionary measures related thereto may impact our business will depend on future developments, which are highly uncertain and cannot be predicted at this time.

We may not be able to sustain our revenue growth rate in the future.

We have experienced rapid revenue growth in recent periods. Our revenue increased by 21.9% to £351.0 million in the fiscal year ended June 30, 2020 over 2019, and has increased by over 20% in each of the prior two years. We may not be able to sustain revenue growth consistent with our recent history or at all. You should not consider our revenue growth in recent periods as indicative of our future performance. As we grow our business, we expect our revenue growth rates to slow in future periods due to a number of factors, which may include slowing demand for our services, increasing competition, decreasing growth of our overall market, our inability to engage and retain a sufficient number of IT professionals or otherwise scale our business, prevailing wages in the markets in which we operate or our failure, for any reason, to capitalize on growth opportunities.

Additionally, we may experience a decrease in demand due to the worldwide economic impact of the ongoing COVID-19 pandemic, which could have a material adverse effect on our business, results of operations and financial condition.

We are dependent on our existing client base and our ability to retain such clients.

Historically, a significant percentage of our revenue has come from our existing client base. For example, during the fiscal year ended June 30, 2020, 91.0% of our revenue came from clients from whom we generated revenue during the prior fiscal year. However, the volume of work performed for a specific client is likely to vary from year to year, especially since we generally do not have long-term commitments from our clients and are often not our clients' exclusive technology services provider. A major client in one year may not provide the same level of revenue for us in any subsequent year. Further, one or more of our significant clients could get acquired and there can be no assurance that the acquirer would choose to use our services in respect of such client to the same degree as previously, if at all. In particular, some of our clients are owned by private equity firms and are therefore inherently more likely to be sold at some point in the future.

In addition, the services we provide to our clients, and the revenue and income from those services, may decline or vary as the type and quantity of services we provide changes over time. In addition, our reliance on any individual client for a significant portion of our revenue may give that client a certain degree of pricing leverage against us when negotiating contracts and terms of service. In order to successfully perform and market our services, we must establish and maintain multi-year close relationships with our clients and develop a thorough understanding of their businesses. Our ability to maintain these close relationships is essential to the growth and profitability of our business. If we fail to maintain these relationships and successfully obtain new engagements from our existing clients, we may not achieve our revenue growth and other financial goals.

During the fiscal years ended June 30, 2020 and 2019, 2018 our 10 largest clients accounted for 38.1%, 37.7% and 41.5% of our revenue, respectively. Our largest client for the fiscal years ended June 30, 2020, 2019 and 2018, Worldpay (UK) Limited, or, together with Worldpay Group Limited and its consolidated subsidiaries, Worldpay, accounted for 10.8% of our revenue in the fiscal year ended June 30, 2018 and less than 10% of our revenue in each of the years ended June 30, 2020 and 2019. We are party to a master services agreement with Worldpay. Under the master services agreement, Worldpay committed to spend an aggregate of £55.7 million, after giving effect to certain discounts, with us during the period from January 1, 2017 to December 31, 2021, with annual discounted commitments ranging from £9.7 million to £12.2 million. Either we or Worldpay may terminate the master services agreement for cause (including material breach by the other party) and Worldpay may terminate the master services agreement if we undergo a change of control or due to regulatory requirements. In addition, Worldpay may terminate the master services agreement for convenience subject to six months prior notice no earlier than July 1, 2021 and payment of 30% of the minimum undiscounted commitment amount for the 12-month period following termination.

In August 2019, Worldpay was acquired by Fidelity National Information Services, Inc. There can be no assurance that our relationship will not be adversely affected as a result of the merger.

We anticipate that a limited number of clients will continue to account for a significant portion of our revenue in any given fiscal year for foreseeable future and, in some cases, a portion of our revenue attributable to an individual client may increase in the future. There can be no assurance that we will be successful in maintaining our relationship with and successfully obtaining new engagements from our existing clients. If we fail to maintain these relationships and successfully obtain new engagements from our existing clients, we may not achieve our revenue growth and other financial goals.

Additionally, if our existing client base, notably our largest clients, are adversely impacted by the ongoing COVID-19 pandemic, then we may experience a decrease in demand, delays in payment or postponement of projects, which could have a material adverse effect on our business, results of operations and financial condition.

We generally do not have long-term commitments from our clients, and our clients may terminate engagements before completion or choose not to enter into new engagements with us.

Our clients are generally not obligated for any long-term commitments to us. Our clients can terminate many of our master services agreements and work orders with or without cause, in some cases subject only to 15 days' prior notice in the case of termination without cause. Although a substantial majority of our revenue is typically generated from clients who also contributed to our revenue during the prior year, our engagements with our clients are typically for projects that are singular in nature. In addition, large and complex projects may involve multiple engagements or stages, and a client may choose not to retain us for additional stages or may cancel or delay additional planned engagements. Therefore, we must seek to obtain new engagements when our current engagements are successfully completed or are terminated as well as maintain relationships with existing clients and secure new clients to maintain and expand our business.

Even if we successfully deliver on contracted services and maintain close relationships with our clients, a number of factors outside of our control could cause the loss of or reduction in business or revenue from our existing clients. These factors include, among other things:

- the business or financial condition of that client or the economy generally;
- a change in strategic priorities by that client, resulting in a reduced level of spending on technology services;
- changes in the personnel at our clients who are responsible for procurement of information technology, or IT, services or with whom we primarily interact;
- a demand for price reductions by that client;
- mergers, acquisitions or significant corporate restructurings involving that client;
- a decision by that client to move work in-house or to one or several of our competitors; and
- Uncertainty and disruption to the global markets including due to public health pandemics, such as the ongoing COVID-19 pandemic.

The loss or diminution in business from any of our major clients could have a material adverse effect on our revenue and results of operations. The ability of our clients to terminate agreements makes our future revenue uncertain. We may not be able to replace any client that elects to terminate or not renew its contract with us, which could materially adversely affect our revenue and thus our results of operations. Further, terminations or delays in engagements may make it difficult to plan our project resource requirements.

We must attract and retain highly-skilled IT professionals.

In order to sustain our growth, we must attract and retain a large number of highly-skilled and talented IT professionals. During the fiscal year ended June 30, 2020, we increased our headcount by 870 employees, or 15.1%. Our business is people driven and, accordingly, our success depends upon our ability to attract, develop, motivate,

retain and effectively utilize highly-skilled IT professionals in our delivery locations, which are principally located in Bulgaria, North Macedonia, Moldova, Romania and Serbia, which we collectively refer to as Central Europe, and Argentina, Colombia, Uruguay and Venezuela in Latin America. We believe that there is significant competition for technology professionals in the geographic regions in which our delivery centers are located and that such competition is likely to continue for the foreseeable future. Increased hiring by technology companies and increasing worldwide competition for skilled technology professionals may lead to a shortage in the availability of suitable personnel in the locations where we operate and hire. In addition, the increased uncertainty and disruption resulting from the COVID-19 pandemic may negatively impact our ability to recruit, hire and train the IT professionals we require to operate our business. Our ability to properly staff projects, maintain and renew existing engagements and win new business depends, in large part, on our ability to recruit, train and retain IT professionals. Failure to hire, train and retain IT professionals in sufficient numbers could have a material adverse effect on our business, results of operations and financial condition.

Increases in our current levels of attrition may increase our operating costs and adversely affect our future business prospects.

The technology industry generally experiences a significant rate of turnover of its workforce. There is a limited pool of individuals who have the skills and training needed to help us grow our company. We compete for such talented individuals not only with other companies in our industry but also with companies in other industries, such as software services, engineering services, financial services and technology generally, among others. High attrition rates of IT personnel would increase our hiring and training costs and could have an adverse effect on our ability to complete existing contracts in a timely manner, meet client objectives and expand our business.

Our revenue is dependent on a limited number of industry verticals, and any decrease in demand for technology services in these verticals or our failure to effectively penetrate new verticals could adversely affect our results of operations.

Historically, we have focused on developing industry expertise and deep client relationships in a limited number of industry verticals. As a result, a substantial portion of our revenue has been generated by clients operating in the Payments and Financial Services vertical and the technology, media and telecommunications, or TMT, vertical. Payments and Financial Services and TMT constituted 52.8% and 25.7%, 52.9% and 27.4%, and 56.8% and 28.1% of our revenue, respectively, for the fiscal years ended June 30, 2020, 2019 and 2018 respectively. Our business growth largely depends on continued demand for our services from clients in Payments and Financial Services and TMT, and any slowdown or reversal of the trend to spend on technology services in these verticals could result in a decrease in the demand for our services and materially adversely affect our revenue, financial condition and results of operations.

We have also recently begun expanding our business into other verticals, such as consumer products, healthcare, logistics and retail. However, we have less experience in these verticals and there can be no assurance that we will be successful in penetrating these verticals. There may be competitors in these verticals that may be entrenched and difficult to dislodge. As a result of these and other factors, including increased spending controls by companies due to the economic impact of the ongoing COVID-19 pandemic, our efforts to expand our client base may be expensive and may not succeed, and we therefore may be unable to grow our revenue. If we fail to further penetrate our existing industry verticals or expand our client base in new verticals, we may be unable to grow our revenue and our operating results may be harmed.

Other developments, including impacts from the ongoing COVID-19 pandemic, in the industries in which we operate may also lead to a decline in the demand for our services, and we may not be able to successfully anticipate and prepare for any such changes. For example, consolidation or acquisitions, particularly involving our clients, may adversely affect our business. Our clients and potential clients may experience rapid changes in their prospects, substantial price competition and pressure on their profitability. This, in turn, may result in increasing pressure on us from clients and potential clients to lower our prices, which could adversely affect our revenue, results of operations and financial condition.

Our contracts could be unprofitable.

We perform our services primarily under time-and-materials contracts (where materials costs consist of travel and out-of-pocket expenses). We charge out the services performed by our employees under these contracts at daily or

hourly rates that are agreed at the time at which the contract is entered. The rates and other pricing terms negotiated with our clients are highly dependent on our internal forecasts of our operating costs and predictions of increases in those costs influenced by wage inflation and other marketplace factors, as well as the volume of work provided by the client. Our predictions are based on limited data and could turn out to be inaccurate, resulting in contracts that may not be profitable. Typically, we do not have the ability to increase the rates established at the outset of a client project, other than on an annual basis and often subject to caps. Independent of our right to increase our rates on an annual basis, client expectations regarding the anticipated cost of a project may limit our practical ability to increase our rates for ongoing work.

In addition to our time-and-materials contracts, we undertake some engagements on a fixed-price basis and also provide managed services in certain cases. Our pricing in fixed-price and managed service contracts is highly dependent on our assumptions and forecasts about the costs we expect to incur to complete the related project, which are based on limited data and could turn out to be inaccurate. Any failure by us to accurately estimate the resources, including the skills and seniority of our employees, required to complete a fixed-price or managed service contracts on time and on budget or meet a service level on a managed service contract, or any unexpected increase in the cost of our employees assigned to the related project, office space or materials could expose us to risks associated with cost overruns and could have a material adverse effect on our business, results of operations and financial condition. In addition, any unexpected changes in economic conditions that affect any of the foregoing assumptions and predictions could render contracts that would have been favorable to us when signed unfavorable.

Our profitability could suffer if we are not able to maintain favorable pricing.

Our profitability and operating results are dependent on the rates we are able to charge for our services. Our rates are affected by a number of factors, including:

- our clients' perception of our ability to add value through our services;
- our competitors' pricing policies;
- bid practices of clients and their use of third-party advisors;
- the ability of large clients to exert pricing pressure;
- employee wage levels and increases in compensation costs;
- employee utilization levels;
- our ability to charge premium prices when justified by market demand or the type of service; and
- general economic conditions.

If we are not able to maintain favorable pricing for our services, our profitability could suffer.

We must maintain adequate resource utilization rates and productivity levels.

Our profitability and the cost of providing our services are affected by our utilization rates of our employees in our delivery locations. If we are not able to maintain appropriate utilization rates for our employees involved in delivery of our services, our profit margin and our profitability may suffer. Our utilization rates are affected by a number of factors, including:

- our ability to promptly transition our employees from completed projects to new assignments and to hire and integrate new employees;
- our ability to forecast demand for our services (and which may be impacted due to the effects of the ongoing COVID-19 pandemic) and thereby maintain an appropriate number of employees in each of our delivery locations;
- our ability to deploy employees with appropriate skills and seniority to projects;

- our ability to manage the attrition of our employees; and
- our need to devote time and resources to training, professional development and other activities that cannot be billed to our clients.

Our revenue could also suffer if we misjudge demand patterns, including as a result of uncertainties related to the ongoing COVID-19 pandemic, and do not recruit sufficient employees to satisfy demand. Employee shortages could prevent us from completing our contractual commitments in a timely manner and cause us to lose contracts or clients. Further, to the extent that we lack sufficient employees with lower levels of seniority and daily or hourly rates, we may be required to deploy more senior employees with higher rates on projects without the ability to pass such higher rates along to our clients, which could adversely affect our profit margin and profitability.

Recent acquisitions and potential future acquisitions could prove difficult to integrate, disrupt our business, dilute shareholder value and strain our resources.

We have completed six acquisitions (including the acquisitions of Velocity Partners LLC, or Velocity Partners, in December 2017, Intuitus Limited, or Intuitus, in November 2019, Exozet Berlin GmbH, or Exozet, in December 2019 and the Comtrade Digital Services business, or CDS, in August 2020) during the previous five fiscal years. In the future, we may acquire additional businesses that we believe could complement or expand our business. Realizing the benefits of acquisitions depends in part on the successful integration of operations and personnel. Integrating the operations of acquired businesses successfully or otherwise realizing any of the anticipated benefits of acquisitions, including anticipated cost savings and additional revenue opportunities, is complex and time-consuming and involves a number of potential challenges. In addition, travel and physical distancing restrictions due to the ongoing COVID-19 pandemic and related precautionary and safety measures could extend timelines and delay integration activities and operating synergies. The failure to meet these integration challenges could seriously harm our financial condition and results of operations. Past acquisitions and any acquisitions we may complete in the future will give rise to certain risks and we may encounter unexpected difficulties or incur unexpected costs, including:

- diversion of management attention from ongoing business concerns to integration matters;
- lack of available staff to perform the integration in a timely manner or alternatively, to perform ongoing business activities due to their integration work;
- consolidating and rationalizing information technology platforms and administrative infrastructures;
- complexities associated with managing the geographic separation of the combined businesses and consolidating multiple physical locations;
- retaining IT professionals and other key employees and achieving minimal unplanned attrition;
- integrating personnel from different corporate cultures while maintaining focus on providing consistent, high quality service;
- demonstrating to our clients and to clients of acquired businesses that the acquisition will not result in adverse changes in client service standards or business focus;
- possible cash flow interruption or loss of profit as a result of transitional matters;
- inability to generate sufficient profit to offset acquisition and integration costs in a reasonable timeframe or at all; and
- inability to achieve the operating synergies anticipated in the acquisitions.

Additionally, acquired businesses may have liabilities or adverse operating issues that we fail to discover through due diligence prior to the acquisition. In particular, to the extent that prior owners of any acquired businesses or properties failed to comply with or otherwise violated applicable laws or regulations, or failed to fulfil their contractual obligations to clients, we, as the successor owner, may be financially responsible for these violations and failures and may suffer financial or reputational harm or otherwise be adversely affected. Similarly, our acquisition targets may not have as

robust internal controls over financial reporting as would be expected of a public company. Acquisitions also frequently result in the recording of goodwill and other intangible assets which are subject to potential impairment in the future that could harm our financial results. We may also become subject to new regulations as a result of an acquisition, including if we acquire a business serving clients in a regulated industry or acquire a business with clients or operations in a country in which we do not already operate. In addition, if we finance acquisitions by issuing convertible debt or equity securities, our existing shareholders may be diluted, which could affect the market price of our ADSs. As a result, if we fail to properly evaluate acquisitions or investments, we may not achieve the anticipated benefits of any such acquisitions, and we may incur costs in excess of what we anticipate. Acquisitions frequently involve benefits related to the integration of operations of the acquired business. The failure to successfully integrate the operations or otherwise to realize any of the anticipated benefits of the acquisition could seriously harm our results of operations.

We may pursue acquisition opportunities which may cause our business to suffer.

We may pursue acquisition opportunities to grow our business. We can offer no assurance that any such acquired businesses will prove to be successful and accretive to shareholder value. Among other negative effects, our pursuit of such business opportunities could reduce operating margins and require more working capital, subject us to additional laws and regulations and materially and adversely affect our business, financial condition, cash flows or results of operations.

We are focused on growing our client base in North America and Europe and may not be successful.

We are focused on geographic expansion, particularly in North America and Europe. In fiscal years 2020, 2019 and 2018, 28.5%, 27.5% and 21.0% of our revenue, respectively, came from clients in North America and 24.5%, 27.5% and 33.7% of our revenue, respectively, came from clients in Europe. From fiscal year 2019 to fiscal year 2020, our revenue from clients in North America and Europe increased by 26.3% and 8.5%, respectively, and from fiscal year 2018 to fiscal year 2019, our revenue from clients in North America and Europe increased by 73.8%and 7.8%, respectively. We have made significant investments to expand in North America, including our acquisition of Velocity Partners in December 2017, which increased our sales presence in North America and added nearshore delivery capacity in Latin America. We have also made meaningful investments to expand in Europe, including our acquisitions of Intuitus in November 2019, Exozet in December 2019 and CDS in August 2020, which expanded our sales presence in Europe and expanded the services we can provide clients. However, our ability to add new clients will depend on a number of factors, including the market perception of our services, our ability to successfully add nearshore delivery center capacity and pricing, competition, overall economic conditions, including the impact of the COVID-19 pandemic. If we are unable to retain existing clients and attract new clients in North America and Europe, we may be unable to grow our revenue and our business, financial condition and results of operations could be adversely affected.

We may be unable to effectively manage our rapid growth or achieve anticipated growth, which could place significant strain on our management personnel, systems and resources.

We have experienced rapid growth and significantly expanded our business over the past several years, both organically and through acquisitions. We intend to continue to grow our business in the foreseeable future and to pursue existing and potential market opportunities. We have also increased the size and complexity of the projects that we undertake for our clients and hope to continue being engaged for larger and more complex projects in the future. As we add new delivery sites, acquire new companies, introduce new services or enter into new markets, we may face new market, technological and operational risks and challenges with which we are unfamiliar, and we may not be able to mitigate these risks and challenges to successfully grow those acquisitions, services or markets. In addition, the increased uncertainty and disruption resulting from the ongoing COVID-19 pandemic may negatively impact our growth opportunities as clients reduce or postpone their technology spending and finding and consummating suitable acquisition opportunities becomes more challenging. We may not be able to achieve our anticipated growth or successfully execute large and complex projects, which could materially adversely affect our revenue, results of operations, business and prospects.

Our future growth depends on us successfully recruiting, hiring and training IT professionals, expanding our delivery capabilities, adding effective sales staff and management personnel, adding service offerings, maintaining existing clients and winning new business. We often recruit skilled professionals by having them visit our offices. Consequently, the ongoing travel restrictions or disruptions resulting from the COVID-19 pandemic that prevent us

from meeting with professional prospects may adversely impact our ability to recruit the IT professionals necessary to grow our business. Further, effective management of these and other growth initiatives will require us to continue to improve our infrastructure, execution standards and ability to expand services. As our company grows, and we are required to add more employees and infrastructure to support our growth, we may find it increasingly difficult to maintain our corporate culture. If we fail to maintain a culture that fosters career development, innovation, creativity and teamwork, we could experience difficulty in hiring and retaining IT professionals. Failure to manage growth effectively could have a material adverse effect on the quality of the execution of our engagements, our ability to attract and retain IT professionals and our business, results of operations and financial condition.

We face intense competition.

The market for technology and IT services is intensely competitive, highly fragmented and subject to rapid change and evolving industry standards and we expect competition to intensify. We believe that the principal competitive factors that we face are the ability to innovate; technical expertise and industry knowledge; end-to-end solution offerings; delivery location; price; reputation and track record for high-quality and on-time delivery of work; effective employee recruiting; training and retention; responsiveness to clients' business needs; scale; and financial stability.

Our primary competitors include next-generation IT service providers, such as Globant S.A. and EPAM Systems; digital agencies and consulting companies, such as Ideo, McKinsey & Company, The Omnicom Group, Sapient Corporation and WPP plc; global consulting and traditional IT services companies, such as Accenture PLC, Capgemini SE, Cognizant Technology Solutions Corporation and Tata Consultancy Services Limited; and in-house development departments of our clients. Many of our competitors have substantially greater financial, technical and marketing resources and greater name recognition than we do. As a result, they may be able to compete more aggressively on pricing or devote greater resources to the development and promotion of technology and IT services. Companies based in some emerging markets also present significant price competition due to their competitive cost structures and tax advantages.

In addition, there are relatively few barriers to entry into our markets and we have faced, and expect to continue to face, competition from new market entrants. Further, there is a risk that our clients may elect to increase their internal resources to satisfy their services needs as opposed to relying on a third-party service providers, such as us. The technology services industry may also undergo consolidation, which may result in increased competition in our target markets from larger firms that may have substantially greater financial, marketing or technical resources, may be able to respond more quickly to new technologies or processes and changes in client demands, and may be able to devote greater resources to the development, promotion and sale of their services than we can. Increased competition could also result in price reductions, reduced operating margins and loss of our market share. We cannot assure you that we will be able to compete successfully with existing or new competitors or that competitive pressures will not materially adversely affect our business, results of operations and financial condition.

If we do not continue to innovate and remain at the forefront of emerging technologies and related market trends, we may lose clients and not remain competitive.

Our success depends on delivering innovative solutions that leverage emerging technologies and emerging market trends to drive increased revenue, particularly in response to the ongoing COVID-19 pandemic, whose challenges require many businesses to increase their reliance on digital technologies. Technological advances and innovation are constant in the technology services industry. As a result, we must continue to invest significant resources to stay abreast of technology developments so that we may continue to deliver solutions that our clients will wish to purchase. If we are unable to anticipate technology developments, enhance our existing services or develop and introduce new services to keep pace with such changes and meet changing client needs, we may lose clients and our revenue and results of operations could suffer. Our results of operation would also suffer if our employees are not responsive to the needs of our clients, not able to help clients in driving innovation and not able to help our clients in effectively bringing innovative ideas to market. Our competitors may be able to offer engineering, design and innovation services that are, or that are perceived to be, substantially similar or better than those we offer. This may force us to reduce our daily rates and to expend significant resources in order to remain competitive, which we may be unable to do profitably or at all. Because many of our clients and potential clients regularly contract with other IT service providers, these competitive pressures may be more acute than in other industries.

We are dependent on members of our senior management team and other key employees.

Our future success heavily depends upon the continued services of our senior management team, particularly John Cotterell, our Chief Executive Officer, and other key employees. We currently do not maintain key man life insurance for any of the members of our senior management team or other key employees. We also do not have long-term employment contracts with all of our key employees. We are only entitled to six to 12 months' prior notice if our executive officers intend to terminate their respective employment with us and three months' prior notice if any of our other senior executives intend to terminate their respective employment with us. If one or more of our senior executives or key employees are unable or unwilling to continue in their present positions, it could disrupt our business operations, and we may not be able to replace them easily, on a timely basis or at all. In addition, competition for senior executives and key employees in our industry is intense, and we may be unable to retain our senior executives and key employees or attract and retain new senior executives and key employees in the future, in which case our business may be severely disrupted.

If any of our senior management team or key employees joins a competitor or forms a competing company, we may lose clients, suppliers, know-how and IT professionals and staff members to them. Also, if any of our sales executives or other sales personnel, who generally maintain close relationships with our clients, joins a competitor or forms a competing company, we may lose clients to that company, and our revenue may be materially adversely affected. Additionally, there could be unauthorized disclosure or use of our technical knowledge, business practices or procedures by such personnel. Any non-competition, non-solicitation or non-disclosure agreements we have with our senior executives or key employees might not provide effective protection to us in light of legal uncertainties associated with the enforceability of such agreements.

Additionally, we have a number of current employees whose equity ownership in our company gives them a substantial amount of personal wealth. As a result, it may be difficult for us to continue to retain and motivate these employees, and this wealth could affect their decisions about whether or not they continue to work for us. Further, although the Class B ordinary shares that are held by our employees are subject to certain restrictions on disposition for periods of up to five years following the completion of our initial public offering in July 2018, sales of our ADSs by our employees in the open market or the perception that such sales may occur may negatively impact the market price of our ADSs. The risk that our employees may sell ADSs in the open market may be made more acute as a result of the fact that we do not anticipate paying dividends for the foreseeable future, meaning open market sales or sales in registered offerings may be our employees' only means of generating liquidity from their ownership of our securities.

Forecasts of our market may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, there can be no assurance that our business will grow at similar rates, or at all.

Growth forecasts included in this Annual Report on Form 20-F relating to our market opportunity and the expected growth in the market for our services are subject to significant uncertainty and are based on assumptions and estimates which may prove to be inaccurate. Even if these markets meet our size estimates and experience the forecasted growth, we may not grow our business at similar rates, or at all. Our growth is subject to many risks and uncertainties, including our success in implementing our business strategy. Accordingly, the forecasts of market growth included in this Annual Report on Form 20-F should not be taken as indicative of our future growth.

Our business will suffer if we are not successful in delivering contracted services.

Our operating results are dependent on our ability to successfully deliver contracted services in a timely manner. We must consistently build, deliver and support complex projects and managed services. Failure to perform or observe any contractual obligations could damage our relationships with our clients and could result in cancellation or non-renewal of a contract. Some of the challenges we face in delivering contracted services to our clients include:

- maintaining high-quality control and process execution standards;
- maintaining planned resource utilization rates on a consistent basis;
- maintaining employee productivity and implementing necessary process improvements;
- controlling costs;

- maintaining close client contact and high levels of client satisfaction;
- maintaining physical and data security standards required by our clients;
- recruiting and retaining sufficient numbers of skilled IT professionals; and
- maintaining effective client relationships.

If we are unable to deliver on contracted services, our relationships with our clients will suffer and we may be unable to obtain new projects. In addition, it could damage our reputation, cause us to lose business, impact our margins and adversely affect our business and results of operations.

Our sales of services, operating results or profitability may experience significant variability and our past results may not be indicative of our future performance.

Our operating results may fluctuate due to a variety of factors, many of which are outside of our control. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Fluctuations in our operating results may be particularly pronounced in the current economic environment due to the uncertainty caused by and the unprecedented nature of the current COVID-19 pandemic. You should not rely on our past results as an indication of our future performance.

Factors that are likely to cause these variations include:

- the number, timing, scope and contractual terms of projects in which we are engaged;
- delays in project commencement or staffing delays due to difficulty in assigning appropriately skilled or experienced professionals;
- the accuracy of estimates on the resources, time and fees required to complete projects and costs incurred in the performance of each project;
- inability to retain employees or maintain employee utilization levels;
- changes in pricing in response to client demand and competitive pressures;
- the business decisions of our clients regarding the use of our services or spending on technology;
- the ability to further grow sales of services from existing clients;
- seasonal trends and the budget and work cycles of our clients;
- delays or difficulties in expanding our operational facilities or infrastructure;
- our ability to estimate costs under fixed price or managed service contracts;
- employee wage levels and increases in compensation costs;
- unanticipated contract or project terminations;
- the timing of collection of accounts receivable;
- our ability to manage risk through our contracts;
- the continuing financial stability of our clients;
- changes in our effective tax rate;
- fluctuations in currency exchange rates;
- general economic conditions; and

- the impact of public health pandemics, such as the ongoing COVID-19 pandemic.

As a result of these factors, our operating results may from time to time fall below our estimates or the expectations of public market analysts and investors.

We operate in a rapidly evolving industry, which makes it difficult to evaluate our future prospects and may increase the risk that we will not continue to be successful.

The technology services industry is competitive and continuously evolving, subject to rapidly changing demands and constant technological developments. As a result, success and performance metrics are difficult to predict and measure in our industry. Because services and technologies are rapidly evolving and each company within the industry can vary greatly in terms of the services it provides, its business model, and its results of operations, it can be difficult to predict how any company's services, including ours, will be received in the market. Neither our past financial performance nor the past financial performance of any other company in the technology services industry is indicative of how our company will fare financially in the future. Our future profits may vary substantially from those of other companies and those we have achieved in the past, making an investment in our company risky and speculative. If our clients' demand for our services declines as a result of economic conditions, market factors or shifts in the technology industry, our business would suffer and our results of operations and financial condition would be adversely affected.

We have in the past experienced, and may in the future experience, a long selling and implementation cycle with respect to certain projects that require us to make significant resource commitments prior to realizing revenue for our services.

We have experienced, and may in the future experience, a long selling cycle with respect to certain projects that require significant investment of human resources and time by both our clients and us. Before committing to use our services, potential clients may require us to expend substantial time and resources educating them on the value of our services and our ability to meet their requirements. Therefore, our selling cycle is subject to many risks and delays over which we have little or no control, including our clients' decision to choose alternatives to our services (such as other technology and IT service providers or in-house resources) and the timing of our clients' budget cycles and approval processes. If our sales cycle unexpectedly lengthens for one or more projects, it would negatively affect the timing of our revenue and hinder our revenue growth. For certain clients, we may begin work and incur costs prior to executing the contract. A delay in our ability to obtain a signed agreement or other persuasive evidence of an arrangement, or to complete certain contract requirements in a particular quarter, could reduce our revenue in that quarter or render us entirely unable to collect payment for work already performed.

Implementing our services also involves a significant commitment of resources over an extended period of time from both our clients and us. Our clients may experience delays in obtaining internal approvals or delays associated with technology, thereby further delaying the implementation process. Our current and future clients may not be willing or able to invest the time and resources necessary to implement our services, and we may fail to close sales with potential clients to which we have devoted significant time and resources. Any significant failure to generate revenue or delays in recognizing revenue after incurring costs related to our sales or services process could materially adversely affect our business.

Additionally, we have experienced and may continue to experience longer sales and implementation cycles for current and future clients due to the worldwide economic impact of the COVID-19 pandemic and the restrictions and precautions that have been implemented by governments and companies, including ours, around the world. Notably, restrictions on face-to-face meetings with clients and our ability to work from client facilities could lengthen our selling and implementation cycles.

If we provide inadequate service or cause disruptions in our clients' businesses, it could result in significant costs to us, the loss of our clients and damage to our corporate reputation.

Any defects or errors or failure to meet clients' expectations in the performance of our contracts could result in claims for substantial damages against us. Our contracts generally limit our liability for damages that arise from negligent acts, error, mistakes or omissions in rendering services to our clients. However, we cannot be sure that these contractual provisions will protect us from liability for damages in the event we are sued. In addition, certain liabilities, such as

claims of third parties for intellectual property infringement and breaches of data protection and security requirements, for which we may be required to indemnify our clients, could be substantial. The successful assertion of one or more large claims against us in amounts greater than those covered by our current insurance policies could materially adversely affect our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, we may incur reputational harm and substantial legal fees. In addition, a failure or inability to meet a contractual requirement could seriously damage our corporate reputation and limit our ability to attract new business.

In certain instances, we guarantee clients that we will complete a project by a scheduled date or that we will maintain certain service levels. We are generally not subject to monetary penalties for failing to complete projects by the scheduled date, but may suffer reputational harm and loss of future business if we do not meet our contractual commitments. In addition, if the project experiences a performance problem, we may not be able to recover the additional costs we will incur, which could exceed revenue realized from a project. Under our managed service contracts, we may be required to pay liquidated damages if we are unable to maintain agreed-upon service levels.

Our business depends on a strong brand and corporate reputation.

Since many of our specific client engagements involve highly tailored solutions, our corporate reputation is a significant factor in our clients' and prospective clients' determination of whether to engage us. We believe the Endava brand name and our reputation are important corporate assets that help distinguish our services from those of our competitors and also contribute to our efforts to recruit and retain talented IT professionals. However, our corporate reputation is susceptible to damage by actions or statements made by current or former employees or clients, competitors, vendors and adversaries in legal proceedings, as well as members of the investment community and the media. There is a risk that negative information about our company, even if based on false rumor or misunderstanding, could adversely affect our business. In particular, damage to our reputation could be difficult and time-consuming to repair, could make potential or existing clients reluctant to select us for new engagements, resulting in a loss of business, and could adversely affect our employee recruitment and retention efforts. Damage to our reputation could also reduce the value and effectiveness of our Endava brand name and could reduce investor confidence in us and adversely affect our operating results.

Our cash flows and results of operations may be adversely affected if we are unable to collect on billed and unbilled receivables from clients.

Our business depends on our ability to effectively bill and successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. We maintain provisions against receivables. Actual losses on client balances could differ from those that we currently anticipate and, as a result, we may need to adjust our provisions. We may not accurately assess the creditworthiness of our clients. Macroeconomic conditions, such as a potential credit crisis in the global financial system and the ongoing global COVID-19 pandemic, have resulted and could continue to result in financial difficulties for our clients, including limited access to the credit markets, insolvency or bankruptcy. Such conditions have caused some clients and could cause other clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables balance. Timely collection of fees for client services depends on our ability to complete our contractual commitments and subsequently effectively bill for and collect our contractual service fees. If we are unable to meet our contractual obligations or effectively prepare and provide invoices, including as a result of the ongoing global COVID-19 pandemic, we might experience delays in the collection of or be unable to collect our client balances, which would adversely affect our results of operations and could adversely affect our cash flows. In addition, if we experience an increase in the time required to bill and collect for our services or if our clients are delayed in making payments or stop payments altogether, our cash flows could be adversely affected, which in turn could adversely affect our ability to make necessary investments and, therefore, could affect our results of operations.

If we are unable to comply with our security obligations or our computer systems or the computer systems of our clients are or become vulnerable to security breaches, we may face reputational damage and lose clients and revenue.

The ongoing COVID-19 pandemic and the sustained associated restrictions on travel and public assembly in the locations where we operate have required our workforce to transition from being based primarily in our offices or at client sites to working from their homes via internet based remote access. While we have taken steps to adjust our

security policies and practices to meet the changed security profile that this presents, this situation increases our risk of a cybersecurity incident. Additionally, our operations could be materially adversely affected by interruptions in internet service or power at employee residences.

The services we provide are often critical to our clients' businesses and the level of criticality has increased in some cases as a result of increased reliance on digital systems in the COVID-19 impacted environment. Certain of our client contracts require us to comply with security obligations, which could include maintaining network security and backup data, ensuring our network is virus-free, maintaining business continuity planning procedures, and verifying the integrity of employees that work with our clients by conducting background checks. Any failure in a client's system, whether or not a result of or related to the services we provide, or breach of security relating to the services we provide to the client could damage our reputation or result in a claim for substantial damages against us. Our liability for breaches of data security requirements, for which we may be required to indemnify our clients, may be extensive. Any significant failure of our equipment or systems, or any major disruption to basic infrastructure like power and telecommunications in the locations in which we operate, could impede our ability to provide services to our clients, have a negative impact on our reputation, cause us to lose clients, and adversely affect our results of operations.

In addition, we often have access to or are required to collect and store confidential client and customer data. If any person, including any of our employees or former employees, penetrates our network security, accidentally exposes our data or code, or misappropriates data or code that belongs to us, our clients, or our clients' customers, we could be subject to significant liability from our clients or from our clients' customers for breaching contractual confidentiality provisions or privacy laws. Unauthorized disclosure of sensitive or confidential client and customer data, whether through breach of our computer systems, systems failure, loss or theft of confidential information or intellectual property belonging to our clients or our clients' customers, or otherwise, could damage our reputation, cause us to lose clients and revenue, and result in financial and other potential losses by us.

We may be subject to liability claims if we breach our contracts and our insurance may be inadequate to cover our losses.

We are subject to numerous obligations in our contracts with our clients. Despite the procedures, systems and internal controls we have implemented to comply with our contracts, we may breach these commitments, whether through a weakness in these procedures, systems and internal controls, negligence or the willful act of an employee or contractor. Our insurance policies, including our errors and omissions insurance, may be inadequate to compensate us for the potentially significant losses that may result from claims arising from breaches of our contracts, disruptions in our services, failures or disruptions to our infrastructure, catastrophic events and disasters or otherwise. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, our insurance may not cover all claims made against us and defending a suit, regardless of its merit, could be costly and divert management's attention.

Regulatory, legislative or self-regulatory/standard developments regarding privacy and data security matters could adversely affect our ability to conduct our business.

We, along with a significant number of our clients, are subject to laws, rules, regulations and industry standards related to data privacy and cyber security, and restrictions or technological requirements regarding the collection, use, storage, protection, retention or transfer of data. For example, the European Union General Data Protection Regulation, or GDPR, came into force in May 2018 and contains numerous requirements and changes from existing EU law, including more robust obligations on data processors and data controllers and heavier documentation requirements for data protection compliance programs. Specifically, the GDPR introduced numerous privacy-related changes for companies operating in the European Union, including greater control over personal data by data subjects (e.g., the "right to be forgotten"), increased data portability for EU consumers, data breach notification requirements and increased fines. In particular, under the GDPR, fines of up to €20 million or up to 4% of the annual global revenue of the noncompliant company, whichever is greater, could be imposed for violations of certain of the GDPR's requirements. The GDPR requirements apply not only to third-party transactions, but also to transfers of information between us and our subsidiaries, including employee information.

We are required to comply with the GDPR as a "Data Controller" and a "Data Processor." In the United States, the rules and regulations to which we may be subject include those promulgated under the authority of the Federal

Trade Commission, the Gramm Leach Bliley Act and state cybersecurity and breach notification laws, as well as regulator enforcement positions and expectations. Globally, governments and agencies have adopted and could in the future adopt, modify, apply or enforce laws, policies, regulations, and standards covering user privacy, data security, technologies such as cookies that are used to collect, store and/or process data, marketing online, the use of data to inform marketing, the taxation of products and services, unfair and deceptive practices, and the collection (including the collection of information), use, processing, transfer, storage and/or disclosure of data associated with unique individual internet users. New regulation or legislative actions regarding data privacy and security (together with applicable industry standards) may increase the costs of doing business and could have a material adverse impact on our operations and cash flows.

While we have taken steps to mitigate the impact of the GDPR on us, the efficacy and longevity of these mechanisms remains uncertain. Potential or actual legal proceedings could lead to one or both of these mechanisms being declared invalid. Further, despite our ongoing efforts to bring practices into compliance, we may not be successful either due to various factors within our control, such as limited financial or human resources, or other factors outside our control. It is also possible that local data protection authorities may have different interpretations of the GDPR, leading to potential inconsistencies amongst various EU Member States.

Additionally, following the result of a referendum in 2016, the United Kingdom left the European Union on January 31, 2020, commonly referred to as Brexit. Pursuant to the formal withdrawal arrangements agreed between the United Kingdom and the European Union, the United Kingdom will be subject to a transition period until December 31, 2020, or the Transition Period, during which European Union rules will continue to apply in the United Kingdom. While the Data Protection Act of 2018, which "implements" and complements the GDPR has achieved Royal Assent on May 23, 2018 and is now effective in the United Kingdom, it is still unclear whether transfer of data from the European Economic Area, or EEA, to the United Kingdom will remain lawful under GDPR following the expiry of the Transition Period. Beginning in 2021, the United Kingdom will be a "third country" under the GDPR. We may incur liabilities, expenses, costs, and other operational losses under GDPR after the Transition Period and applicable EU Member States and the United Kingdom privacy laws in connection with any measures we take to comply with them.

Additionally, California enacted legislation that has been dubbed the first "GDPR-like" law in the United States. Known as the California Consumer Privacy Act, or CCPA, it creates new individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA went into effect on January 1, 2020 and requires covered companies to provide new disclosures to California consumers, provide such consumers new ways to opt-out of certain sales of personal information, and allow for a new private right of action for data breaches. Despite amendments and multiple revisions of draft regulations (which have now been finalized), it remains unclear how the CCPA will be interpreted, but as currently written, the CCPA could impact our business activities depending on how it is interpreted.

Recent legal developments in Europe have created further complexity and uncertainty regarding transfers of personal data from the European Union and United Kingdom to the United States. On July 16, 2020, the Court of Justice of the European Union, or CJEU, invalidated the E.U.-U.S. Privacy Shield Framework, or Privacy Shield, under which personal data could be transferred from the European Union and United Kingdom to United States entities who had self-certified under the Privacy Shield scheme. While the CJEU upheld the adequacy of the standard contractual clauses (a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism, and potential alternative to the Privacy Shield), it made clear that reliance on them alone may not necessarily be sufficient in all circumstances. Use of the standard contractual clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, in particular applicable surveillance laws and rights of individuals and additional measures and/or contractual provisions may need to be put in place, however, the nature of these additional measures is currently uncertain. As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the standard contractual clauses cannot be used, and/or start taking enforcement action, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results.

Any failure or perceived failure (including as a result of deficiencies in our policies, procedures, or measures relating to privacy, data protection, marketing, or client communications) by us to comply with laws, regulations, policies, legal or contractual obligations, industry standards, or regulatory guidance relating to privacy or data security, may result in governmental investigations and enforcement actions, litigation, fines and penalties or adverse publicity, and could cause our clients and partners to lose trust in us, which could have an adverse effect on our reputation and business. We expect that there will continue to be new proposed laws, regulations and industry standards relating to privacy, data protection, marketing, consumer communications and information security in the United States, the European Union and other jurisdictions, and we cannot determine the impact such future laws, regulations and standards may have on our business. Future laws, regulations, standards and other obligations or any changed interpretation of existing laws or regulations could impair our ability to develop and market new services and maintain and grow our client base and increase revenue.

Our client relationships, revenue, results of operations and financial condition may be adversely affected if we experience disruptions in our internet infrastructure, telecommunications or IT systems.

Disruptions in telecommunications, systems, or internet infrastructure could damage our reputation and harm our ability to deliver services to our clients, which could result in client dissatisfaction and a loss of business and related reduction of our revenue. We may not be able to consistently maintain active voice and data communications between our various global operations and with our clients due to disruptions in telecommunication networks and power supply, or system failures. Any significant failure in our ability to communicate could result in a disruption in business, which could hinder our performance and our ability to complete projects on time. Such failure to perform on client contracts could have a material adverse effect on our revenue, business, results of operations and financial condition and the market price of our ADSs.

Due to the ongoing COVID-19 pandemic and the sustained associated restrictions on travel and public assembly in the locations where we operate, our workforce has transitioned from being based primarily in our offices or at client sites to working from their homes via internet based remote access. While we have taken steps to adjust our policies and practices to meet the challenges this presents, our operations face an increased risk from disruptions in telecommunications, systems or internet infrastructure notably at employee residences. Furthermore, as our workforce has transitioned to working from their residences via an internet based remote access, we face an increased risk of cyber-attacks.

Cyber-attacks or other information or security breaches, whether directed at us or at third parties, may result in a material loss or have material consequences. Furthermore, the public perception that a cyber-attack on our systems has been successful, whether or not this perception is correct, may damage our reputation with customers and third parties with whom we do business. Unauthorized access to or disclosure of personal information, in particular, could cause serious reputational harm and regulatory penalties with a material impact. A successful penetration or circumvention of system security could cause us serious negative consequences, including loss of customers and business opportunities, significant disruption to our operations and business, misappropriation or destruction of our confidential information and/or that of our customers, or damage to our or our customers' and/or third parties' computers or systems. It could also result in a violation of applicable privacy and other laws; increased litigation exposure; regulatory fines, penalties or intervention; loss of confidence in our security measures; reputational damage; reimbursement or other compensatory costs; and additional compliance costs, and therefore could materially adversely affect our revenue, results of operations, business and prospects.

Our business operations and financial condition could be adversely affected by negative publicity about offshore outsourcing or anti-outsourcing legislation in the countries in which our clients operate.

Concerns that offshore outsourcing has resulted in a loss of jobs and sensitive technologies and information to foreign countries have led to negative publicity concerning outsourcing in some countries. Many organizations and public figures in the United States and Europe have publicly expressed concern about a perceived association between offshore outsourcing IT service providers and the loss of jobs in their home countries. Current or prospective clients may elect to perform services that we offer, or may be discouraged from transferring these services to offshore providers such as ourselves, to avoid any negative perceptions that may be associated with using an offshore provider or for data

privacy and security concerns. As a result, our ability to compete effectively with competitors that operate primarily out of facilities located in these countries could be harmed.

Legislation enacted in certain European jurisdictions and any future legislation in Europe or any other country in which we have clients that restricts the performance of services from an offshore location could also materially adversely affect our business, financial condition and results of operations. For example, legislation enacted in the United Kingdom, based on the 1977 EC Acquired Rights Directive, has been adopted in some form by many European Union countries, and provides that if a company outsources all or part of its business to an IT services provider or changes its current IT services provider, the affected employees of the company or of the previous IT services provider are entitled to become employees of the new IT services provider, generally on the same terms and conditions as their original employment. In addition, dismissals of employees who were employed by the company or the previous IT services provider immediately prior to that transfer are automatically considered unfair dismissals that entitle such employees to compensation. As a result, in order to avoid unfair dismissal claims, we may have to offer, and become liable for, voluntary redundancy payments to the employees of our clients who outsource business to us in the United Kingdom and other European Union countries who have adopted similar laws. This legislation could materially affect our ability to obtain new business from companies in the United Kingdom and European Union and to provide outsourced services to companies in the United Kingdom and European Union in a cost-effective manner.

Certain of our clients require solutions that ensure security given the nature of the content being distributed and associated applicable regulatory requirements. In particular, our U.S. healthcare industry clients may rely on our solutions to protect information in compliance with the requirements of the Health Insurance Portability and Accountability Act of 1996, the 2009 Health Information Technology for Economic and Clinical Health Act, the Final Omnibus Rule of January 25, 2013, and related regulations, which are collectively referred to as HIPAA, and which impose privacy and data security standards that protect individually identifiable health information by limiting the uses and disclosures of individually identifiable health information and requiring that certain privacy and data security standards be implemented to protect this information. As a “business associate” to “covered entities” that are subject to HIPAA, such as certain healthcare providers, health plans and healthcare clearinghouses, we also have our own compliance obligations directly under HIPAA and pursuant to the business associate agreements that we are required to enter into with our clients that are HIPAA-covered entities and any vendors we engage that access, use, transmit or store individually identifiable health information in connection with our business operations. Further, various states have implemented similar privacy laws and regulations that impose restrictive requirements regulating the use and disclosure of health information and other personally identifiable information. These laws and regulations are not necessarily preempted by HIPAA, particularly if a state affords greater protection to individuals than HIPAA. Where state laws are more protective, we have to comply with the stricter provisions. In addition to fines and penalties imposed upon violators, some of these state laws also afford private rights of action to individuals who believe their personal information has been misused.

Compliance efforts can be expensive and burdensome, and if we fail to comply with our obligations under HIPAA, our required business associate agreements or applicable state data privacy laws and regulations, we could be subject to regulatory investigations and orders, significant fines and penalties, mitigation and breach notification expenses, private litigation and contractual damages, corrective action plans and related regulatory oversight and reputational harm.

Governments and industry organizations may also adopt new laws, regulations or requirements, or make changes to existing laws or regulations, that could impact the demand for, or value of, our services. If we are unable to adapt the solutions we deliver to our clients to changing legal and regulatory standards or other requirements in a timely manner, or if our solutions fail to allow our clients to comply with applicable laws and regulations, our clients may lose confidence in our services and could switch to services offered by our competitors, or threaten or bring legal actions against us.

We may not receive sufficient intellectual property rights from our employees and contractors to comply with our obligations to our clients and we may not be able to prevent unauthorized use of our intellectual property.

Our contracts generally require, and our clients typically expect, that we will assign to them all intellectual property rights associated with the deliverables that we create in connection with our engagements. In order to assign these

rights to our clients, we must ensure that our employees and contractors validly assign to us all intellectual property rights that they have in such deliverables. Our policy is to require employees and independent contractors to sign assignment of intellectual property agreements with us upon commencement of employment or engagement, but there can be no assurance that we will be able to enforce our rights under such agreements. Given that we operate in a variety of jurisdictions with different and evolving legal regimes, particularly in Central Europe and Latin America, we face increased uncertainty regarding whether such agreements will be found to be valid and enforceable by competent courts and whether we will be able to avail ourselves of the remedies provided for by applicable law.

Our success also depends in part on certain methodologies, practices, tools and technical expertise our company utilizes in designing, developing, implementing and maintaining applications and other proprietary intellectual property rights. In order to protect our intellectual property rights, we rely upon a combination of nondisclosure and other contractual arrangements as well as trade secret, copyright and trademark laws. We consider proprietary trade secrets and confidential know-how to be important to our business. However, trade secrets and confidential know-how are difficult to maintain as confidential. To protect this type of information against disclosure or appropriation by competitors, our policy is to require our employees, consultants, contractors and advisors to enter into confidentiality agreements with us. We also seek to preserve the integrity and confidentiality of our data, trade secrets and know-how by maintaining physical security of our premises and physical and electronic security of our information technology systems. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. We cannot guarantee that our trade secrets and other proprietary and confidential information will not be disclosed or that competitors will not otherwise gain access to our trade secrets. Current or former employees, consultants, contractors and advisers may unintentionally or willfully disclose our confidential information to competitors, and confidentiality agreements may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. Enforcing a claim that a third party illegally obtained and used trade secrets and/or confidential know-how is expensive, time consuming and unpredictable. The enforceability of confidentiality agreements may vary from jurisdiction to jurisdiction. Furthermore, if a competitor lawfully obtained or independently developed any of our trade secrets, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position. If the steps taken to maintain our trade secrets are deemed inadequate, we may have insufficient recourse against third parties for misappropriating the trade secret.

We have registered the “Endava” name and logo in the United Kingdom, the United States and certain other countries. We have pending applications for the “Endava” name and logo in other countries; however, we cannot assure you that any future trademark registrations will be issued for pending or future applications or that any registered trademarks will be enforceable or provide adequate protection of our proprietary rights. Our trademarks may also be subject to misappropriation in jurisdictions in which they are not registered.

We may be subject to claims by third parties asserting that companies we have acquired, our employees or we have misappropriated their intellectual property, or claiming ownership of what we regard as our own intellectual property.

We could be subject to claims by third parties that companies we have acquired, our employees or we have misappropriated their intellectual property. Our employees may misappropriate intellectual property from their former employers. Many of our employees were previously employed at our competitors or potential competitors. Some of these employees executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees do not use the proprietary information of others in their work for us, we may be subject to claims that we or these employees have used or disclosed confidential information or intellectual property, including trade secrets or other proprietary information, of any such employee's former employer. Litigation may be necessary to defend against these claims. In addition, we are subject to additional risks as a result of our recent acquisitions and any future acquisitions we may complete. The developers of the technology that we have acquired or may acquire may not have appropriately created, maintained or enforced intellectual property rights in such technology. Indemnification and other rights under acquisition documents may be limited in term and scope and may therefore provide little or no protection from these risks.

If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel or sustain damages. Such intellectual property rights could be awarded

to a third party. Even if we successfully prosecute or defend against such claims, litigation could result in substantial costs and distract management.

If we incur any liability for a violation of the intellectual property rights of others, our reputation, business, financial condition and prospects may be adversely affected.

Our success largely depends on our ability to use and develop our technology, tools, code, methodologies and services without infringing the intellectual property rights of third parties, including patents, copyrights, trade secrets and trademarks. We may be subject to litigation involving claims of patent infringement or violation of other intellectual property rights of third parties. Parties making infringement claims may be able to obtain an injunction to prevent us from delivering our services or using technology involving the allegedly infringing intellectual property. Intellectual property litigation is expensive and time-consuming and could divert management's attention from our business. A successful infringement claim against us, whether with or without merit, could, among others things, require us to pay substantial damages, develop substitute non-infringing technology, or rebrand our name or enter into royalty or license agreements that may not be available on acceptable terms, if at all, and would require us to cease making, licensing or using products that have infringed a third party's intellectual property rights. Protracted litigation could also result in existing or potential clients deferring or limiting their purchase or use of our services until resolution of such litigation, or could require us to indemnify our clients against infringement claims in certain instances. Any intellectual property claim or litigation, whether we ultimately win or lose, could damage our reputation and materially adversely affect our business, financial condition and results of operations.

In addition, we typically indemnify clients who purchase our services and solutions against potential infringement of intellectual property rights, which subjects us to the risk of indemnification claims. These claims may require us to initiate or defend protracted and costly litigation on behalf of our clients, regardless of the merits of these claims and are often not subject to liability limits or exclusion of consequential, indirect or punitive damages. If any of these claims succeed, we may be forced to pay damages on behalf of our clients, redesign or cease offering our allegedly infringing services or solutions, or obtain licenses for the intellectual property such services or solutions allegedly infringe. If we cannot obtain all necessary licenses on commercially reasonable terms, our clients may stop using our services or solutions.

Further, our current and former employees could challenge our exclusive rights to the software they have developed in the course of their employment. In certain countries in which we operate, an employer is deemed to own the copyright work created by its employees during the course, and within the scope, of their employment, but the employer may be required to satisfy additional legal requirements in order to make further use and dispose of such works. While we believe that we have complied with all such requirements, and have fulfilled all requirements necessary to acquire all rights in software developed by our independent contractors, these requirements are often ambiguously defined and enforced. As a result, we may not be successful in defending against any claim by our current or former employees or independent contractors challenging our exclusive rights over the use and transfer of works those employees or independent contractors created or requesting additional compensation for such works.

We use third-party software, hardware and software-as-a-service, or SaaS, technologies from third parties that may be difficult to replace or that may cause errors or defects in, or failures of, the services or solutions we provide.

We rely on software and hardware from various third parties to deliver our services and solutions, as well as hosted SaaS applications from third parties. If any of these software, hardware or SaaS applications become unavailable due to extended outages, interruptions, cyber-attacks or because they are no longer available on commercially reasonable terms, it could result in delays in the provisioning of our services until equivalent technology is either developed by us, or, if available, is identified, obtained and integrated, which could increase our expenses or otherwise harm our business. In addition, any errors or defects in or failures of this third-party software, hardware or SaaS applications could result in errors or defects in or failures of our services and solutions, which could harm our business and be costly to correct. Many of these providers attempt to impose limitations on their liability for such errors, defects or failures, and if enforceable, we may have additional liability to our clients or third-party providers that could harm our reputation and increase our operating costs.

We incorporate third-party open source software into our client deliverables and our failure to comply with the terms of the underlying open source software licenses could adversely impact our clients and create potential liability.

We use open source software extensively in the solutions that we build for our clients and our client deliverables often contain software licensed by third parties under so-called "open source" licenses, including the GNU General Public License, or GPL, the GNU Lesser General Public License, or LGPL, the BSD License, the Apache License and others.. Any piece of third-party software, whether proprietary or open source, can contain security flaws which in some cases can result in security vulnerabilities in the applications utilizing them. Though we employ strategies to actively manage our software supply chain for open source software and attempt to minimize these risks,, there is no guarantee that these steps will be effective or successful. Any vulnerability in an application that we build for a client could be exploited to subvert the security controls in the system and allow a data breach or other security problem. Such an occurrence could have a material adverse impact our reputation, client relationship, financial condition or prospects.

In addition, from time to time, there have been claims against companies that distribute or use open source software in their products and services, asserting that such open source software infringes the claimants' intellectual property rights. Our clients could be subject to suits by third parties claiming that what we believe to be licensed open source software infringes such third parties' intellectual property rights, and we are generally required to indemnify our clients against such claims. Use of open source software may entail greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, certain open source licenses require that source code for software programs that are subject to the license be made available to the public and that any modifications or derivative works to such open source software continue to be licensed under the same terms.

Although we monitor our use of open source software in an effort both to comply with the terms of the applicable open source licenses and to avoid subjecting our client deliverables to conditions we do not intend, the terms of many open source licenses have not been interpreted by courts in relevant jurisdictions, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our clients' ability to use the software that we develop for them and operate their businesses as they intend. The terms of certain open source licenses may require us or our clients to release the source code of the software we develop for our clients and to make such software available under the applicable open source licenses. In the event that portions of client deliverables are determined to be subject to an open source license, we or our clients could be required to publicly release the affected portions of source code or re-engineer all, or a portion of, the applicable software. Disclosing our proprietary source code could allow our clients' competitors to create similar products with lower development effort and time and ultimately could result in a loss of sales for our clients. Any of these events could create liability for us to our clients and damage our reputation, which could have a material adverse effect on our revenue, business, results of operations and financial condition and the market price of our ADSs.

Changes in laws and regulations related to the internet or changes in the internet infrastructure itself may diminish the demand for our services, and could have a negative impact on our business.

The future success of our business depends upon the continued use of the internet as a primary medium for commerce, communication and business applications. Federal, state or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium. Changes in these laws or regulations could adversely affect the demand for our services or require us to modify our solutions in order to comply with these changes. In addition, government agencies or private organizations may begin to impose taxes, fees or other charges for accessing the internet or commerce conducted via the internet. These laws or charges could limit the growth of internet-related commerce or communications generally, resulting in reductions in the demand for technology services such as ours.

In addition, the use of the internet as a business tool could be adversely affected due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease of use, accessibility, and quality of service. The performance of the internet and its acceptance as a business tool have been adversely affected by "ransomware," "viruses," "worms," "malware," "phishing attacks," "data breaches" and similar malicious programs, behavior, and events, and the internet has experienced a variety of outages and other

delays as a result of damage to portions of its infrastructure. If the use of the internet is adversely affected by these or any other issues, demand for our services and solutions could suffer.

From time to time, some of our employees spend significant amounts of time at our clients' facilities, often in foreign jurisdictions, which expose us to certain risks.

Some of our projects require a portion of the work to be undertaken at our clients' facilities, which are often located outside our employees' country of residence. The ability of our employees to work in locations around the world may depend on their ability to obtain the required visas and work permits, and this process can be lengthy and difficult. Immigration laws are subject to legislative change, as well as to variations in standards of application and enforcement due to political forces and economic conditions. In addition, we may become subject to taxation in jurisdictions where we would not otherwise be so subject as a result of the amount of time that our employees spend in any such jurisdiction in any given year. While we seek to monitor the number of days that our employees spend in each country to avoid subjecting ourselves to any such taxation, there can be no assurance that we will be successful in these efforts.

Additionally, the ability of our employees to work at our clients' facilities has been adversely affected by the COVID-19 pandemic. Due to government restrictions and our own precautions, our employees are generally no longer able to work at our clients' facilities, and their ability to do so for an indeterminate future period will be limited due to ongoing safety precautions, including social distancing and travel restrictions. We may face delays in completing projects, decreased productivity or increased difficulties in delivering for our clients for so long as our employees are unable to work at our clients' offices.

To the extent our employees and contractors are able to work at our clients' facilities, we may incur risks relating to our employees and contractors' presence at our clients' facilities, including, but not limited to: claims of misconduct, negligence or intentional malfeasance on the part of our employees. Some or all of these claims may lead to litigation and these matters may cause us to incur negative publicity with respect to these alleged problems. It is not possible to predict the outcome of these lawsuits or any other proceeding, and our insurance may not cover all claims that may be asserted against us.

Our business is subject to the risks of geo-political actions, including natural disasters, war and terrorism and public health pandemics.

A significant natural disaster, such as an earthquake, fire or a flood, a catastrophic event, such as a significant power outage, or a public health pandemic, such as COVID-19, could have a material adverse impact on our business, operating results and financial condition. In the event we are hindered by any of the events discussed above, our ability to provide our services to clients could be delayed. Additionally, a natural disaster, catastrophic event or public health epidemic could cause us or our customers to suspend all or a portion of their operations for a significant period of time, result in a permanent loss of resources, or require the relocation of personnel and material to alternate facilities that may not be available or adequate. Such an event could also cause an indirect economic impact on our customers, which could impact our customers' purchasing decisions and reduce demand for our products and services.

In addition, our facilities are vulnerable to damage or interruption from human error, intentional bad acts, pandemics, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures and similar events. The occurrence of a natural disaster, power failure or an act of terrorism, vandalism or other misconduct could result in lengthy interruptions in provision of our services and failure to comply with our obligations to our clients. The occurrence of any of the foregoing events could damage our systems and hardware or could cause them to fail completely, and our insurance may not cover such events or may be insufficient to compensate us for the potentially significant losses, including the potential harm to the future growth of our business, that may result from interruptions in the provision of our services to clients as a result of system failures.

All of the aforementioned risks may be exacerbated if our disaster recovery plan proves to be inadequate. To the extent that any of the above results in delayed or reduced sales or increases our cost of sales, our business, financial condition and results of operations could be adversely affected.

Any debt we incur may affect our ability to operate our business and secure additional financing in the future.

In October 2019, we entered into a new Multicurrency Revolving Facility Agreement, or the Facility Agreement, with HSBC Bank plc as agent, or the Agent, HSBC UK Bank plc, DNB (UK) Limited, Keybank National Association and Silicon Valley Bank as mandated lead arrangers, bookrunners and original lenders, or the Mandated Lead Arrangers and the Original Lenders. The Multicurrency Revolving Credit Facility is an unsecured revolving credit facility in the amount of £200 million with an initial period of three years, and it replaces the existing £50 million secured facility with HSBC UK Bank Plc. The Facility Agreement also provides for an uncommitted accordion option for up to an aggregate of £75 million in additional borrowing. The Facility Agreement remains undrawn; however, we may draw down from the Facility in the future.

The Facility Agreement requires us, and any debt instruments we may enter into in the future may require us, to comply with various covenants that limit our ability to, among other things:

- dispose of assets;
- complete mergers or acquisitions;
- incur or guarantee indebtedness;
- sell or encumber certain assets;
- pay dividends or make other distributions to holders of our shares;
- make specified investments;
- engage in different lines of business; and
- engage in certain transactions with affiliates.

Under the terms of the Facility Agreement, we are required to comply with net leverage ratio and interest coverage covenants. Our ability to meet these ratios and covenants can be affected by events beyond our control and we may not meet these ratios and covenants. To the extent we draw down on the Facility, a failure by us to comply with the ratios or covenants contained in the Facility Agreement could result in an event of default, which could adversely affect our ability to respond to changes in our business and manage our operations. Upon the occurrence of an event of default, including the occurrence of a material adverse change, the lenders could elect to declare any amounts outstanding to be due and payable and exercise other remedies as set forth in the Facility Agreement. If any indebtedness under our Facility were to be accelerated, our future financial condition could be materially adversely affected.

We may also incur additional indebtedness under different agreements in the future. The instruments governing such indebtedness could contain provisions that are as, or more, restrictive than our existing debt instruments. If we are unable to repay, refinance or restructure our indebtedness when payment is due, the lenders could proceed against any collateral granted to them to secure such indebtedness or force us into bankruptcy or liquidation.

We may need additional capital, and a failure by us to raise additional capital on terms favorable to us, or at all, could limit our ability to grow our business and develop or enhance our service offerings to respond to market demand or competitive challenges.

We believe that our current cash balances, cash flow from operations and credit facilities should be sufficient to meet our anticipated cash needs for at least the next 12 months. We may, however, require additional cash resources due to changed business conditions or other future developments, including any investments or acquisitions we may decide to pursue. If these resources are insufficient to satisfy our cash requirements, we may seek to sell additional equity or debt securities, draw down on our revolving credit facility or obtain another credit facility. The sale of additional equity securities could result in dilution to our shareholders. The incurrence of indebtedness would result in increased debt service obligations and could require us to agree to operating and financing covenants that would restrict our operations. Our ability to obtain additional capital on acceptable terms is subject to a variety of uncertainties, including investors' perception of, and demand for, securities of IT services companies, conditions in the capital markets in which

we may seek to raise funds, our future results of operations and financial condition, and general economic and political conditions, all of which may be heightened due to the ongoing COIVD-19 pandemnic. Financing may not be available in amounts or on terms acceptable to us, or at all, and could limit our ability to grow our business and develop or enhance our service offerings to respond to market demand or competitive challenges.

We have significant fixed costs related to lease facilities and may incur additional expense as we adapt our facilities in response to the COVID-19 pandemic.

We have made and continue to make significant contractual commitments related to our leased facilities. The total lease related expense (net of any related gains and income) included in our financial statements for the 2020 fiscal year was £9.8 million, and we are contractually committed to £12.1 million in such lease expenses for the 2021 fiscal year. These expenses will have a significant impact on our fixed costs, and if we are unable to grow our business and revenue proportionately, our operating results may be negatively affected.

As we continue to adapt to the changes caused by the ongoing COVID-19 pandemic and take necessary safety precautions to ensure a safe and healthy work environment, we may face increased costs to adapt our offices to mitigate the risk of our employees being diagnosed with COVID-19, including office cleaning costs and ensuring we have enough space to maintain appropriate social distancing.

Additionally, we have moved our workforce to a remote working regime in response to the COVID-19 pandemic, and may continue to maintain such a regime even as social distancing restrictions are loosened. Therefore, we may require less office space than we currently have under our leases. This could require us to renegotiate some of our leases to match a reduced need for office space, which may in turn lead to disputes with existing landlords. This process could be costly and time consuming, and we cannot guarantee that any new leases would be on the same or better terms as our current lease arrangements.

Our ability to expand our business and procure new contracts or enter into beneficial business arrangements could be affected to the extent we enter into agreements with clients containing non-competition clauses.

We are a party to a small number of agreements with clients that restrict our ability to perform similar services for such clients' competitors. We may in the future enter into agreements with clients that restrict our ability to accept assignments from, or render similar services to, those clients' customers, require us to obtain our clients' prior written consent to provide services to their customers or restrict our ability to compete with our clients, or bid for or accept any assignment for which those clients are bidding or negotiating. These restrictions may hamper our ability to compete for and provide services to other clients in a specific industry in which we have expertise and could materially adversely affect our business, financial condition and results of operations.

If our current insurance coverage is or becomes insufficient to protect against losses incurred, our business, results of operations and financial condition may be adversely affected.

We provide technology services that are integral to our clients' businesses. If we were to default in the provision of any contractually agreed-upon services, our clients could suffer significant damages and make claims against us for those damages. We currently carry errors and omissions liability coverage in an amount we consider appropriate for all of the services we provide. To the extent client damages are deemed recoverable against us in amounts substantially in excess of our insurance coverage, or if our claims for insurance coverage are denied by our insurance carriers for any reason, including reasons beyond our control, there could be a material adverse effect on our revenue, business, results of operations and financial condition.

Risks Related to Our International Operations

The United Kingdom's withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and our business.

Following the result of a referendum in 2016, the United Kingdom left the European Union on January 31, 2020 (commonly referred to as Brexit). Pursuant to the formal withdrawal arrangements agreed between the United Kingdom and the European Union, the United Kingdom will be subject to a transition period until December 31, 2020, or the Transition Period, during which EU rules will continue to apply in the United Kingdom. During the Transition Period,

negotiations between the United Kingdom and the European Union are expected to continue in relation to the future customs and trading relationship between the United Kingdom and the European Union following the expiry of the Transition Period. Under the formal withdrawal arrangements between the United Kingdom and the European Union, the parties had until June 30, 2020 to agree to extend the Transition Period if required. No such extension was agreed prior to such date. No agreement has yet been reached between the United Kingdom. and the European Union and it may be the case that no formal customs and trading agreement will be reached prior to the expiry of the Transition Period on December 31, 2020.

Our principal executive offices are located in the United Kingdom. The lack of clarity over which EU laws and regulations will continue to be implemented in the United Kingdom after the expiry of the Transition Period (including financial laws and regulations, tax and free trade agreements, intellectual property rights, data protection laws, supply chain logistics, environmental, health and safety laws and regulations, immigration laws and employment laws) may negatively impact foreign direct investment in the United Kingdom., increase costs, depress economic activity and restrict access to capital.

The uncertainty concerning the United Kingdom's legal, political and economic relationship with the European Union after the expiry of the Transition Period may be a source of instability in the international markets, create significant currency fluctuations, and/or otherwise adversely affect trading agreements or similar cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) after the Transition Period. For example, depending on the terms of the United Kingdom's withdrawal from the European Union after the Transition Period, the United Kingdom. could lose the benefits of global trade agreements negotiated by the European Union on behalf of its members, which may result in increased trade barriers that could make our doing business in the European Union and the EEA more difficult.

These developments, or the perception that any of them could occur, have had and may continue to have a significant adverse effect on global economic conditions and the stability of global financial markets, and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. In particular, they could also lead to a period of considerable uncertainty in relation to the U.K. financial and banking markets, as well as on the regulatory process in Europe. Asset valuations, currency exchange rates and credit ratings may be especially subject to increased market volatility. These developments, or the perception that any of them could occur, may also have a significant effect on our ability to attract and retain employees, including IT professionals and other employees who are important for our business.

If the United Kingdom and the European Union are unable to negotiate acceptable withdrawal terms or if other EU Member States pursue withdrawal, barrier-free access between the United Kingdom and other EU Member States or among the EEA overall could be diminished or eliminated. The long-term effects of Brexit will depend on any agreements (or lack thereof) between the United Kingdom and the European Union and, in particular, any arrangements for the United Kingdom to retain access to EU markets after the Transition Period.

Such a withdrawal from the European Union is unprecedented, and it is unclear how the United Kingdom's access to the European single market for goods, capital, services and labor within the European Union, or single market, and the wider commercial, legal and regulatory environment, will impact our U.K. operations and customers. Our U.K. operations service customers in the United Kingdom as well as in other countries in the European Union and EEA, and these operations could be disrupted by Brexit, particularly if there is a change in the United Kingdom's long-term relationship to the single market. Additionally, there could be new restrictions on travel and immigration that result from Brexit following the Transition Period that could impair the ability of our employees to travel as necessary in connection with their duties to us or obtain required immigration authorizations to work for us. The occurrence of any such event could subject us to additional costs and impair our ability to complete projects for our clients, which could adversely affect our business, operating results and financial condition.

Fluctuations in currency exchange rates and increased inflation could materially adversely affect our financial condition and results of operations.

We have operations in a number of countries, including Argentina, Austria, Australia, Bulgaria, Colombia, Denmark, Germany, Ireland, North Macedonia, Moldova, the Netherlands, Romania, Serbia, Singapore, the United Kingdom, the United States, Uruguay and Venezuela, and we serve clients across Europe and North America. As part

of our acquisition of CDS on August 17, 2020, we acquired new operations in Austria, Bosnia and Herzegovina, Germany, Ireland, Serbia, Slovenia and the United States. As a result of the international scope of our operations, fluctuations in exchange rates, particularly between the British Pound, our reporting currency, and the Euro and U.S. dollar, may adversely affect us. Currency fluctuations related to Brexit and the COVID-19 pandemic had a significant impact on our financial results for the fiscal year ended June 30, 2020. In the fiscal year ended June 30, 2020, 42.9% of our sales were denominated in the British Pound, 29.4% of our sales were denominated in U.S. dollars, 26.1% were denominated in Euros and the balance were in other currencies. Conversely, during the same time period, 74.3% of our expenses were denominated in Euros (or in currencies that largely follow the Euro, including the RON) or U.S. dollars. As a result, strengthening of the Euro or U.S. dollar relative to the British Pound presents the most significant risk to us. Any significant fluctuations in currency exchange rates may have a material impact on our business.

In addition, economies in Central European and Latin American countries have periodically experienced high rates of inflation. Periods of higher inflation may slow economic growth in those countries. As a substantial portion of our expenses (excluding currency losses and changes in deferred tax) are denominated in Euros or in currencies that largely follow the Euro, the relative movement of inflation significantly affects our results of operations. Inflation also is likely to increase some of our costs and expenses, including wages, rents, leases and employee benefit payments, which we may not be able to pass on to our clients and, as a result, may reduce our profitability. To the extent inflation causes these costs to increase, such inflation may materially adversely affect our business. Inflationary pressures could also affect our ability to access financial markets and lead to counter-inflationary measures that may harm our financial condition, results of operations or materially adversely affect the market price of our securities.

Our revenue, margins, results of operations and financial condition may be materially adversely affected if general economic conditions in Europe, the United States or the global economy worsen.

We derive a significant portion of our revenue from clients located in Europe and the United States. The technology services industry is particularly sensitive to the economic environment, and tends to decline during general economic downturns. While the potential economic impact and the duration of the COVID-19 pandemic may be difficult to fully assess or predict, it has resulted in significant economic uncertainty and disruption. If the U.S. or European economies continue to weaken or slow or there is a global economic slowdown, pricing for our services may be depressed and our clients may reduce or postpone their technology spending significantly, which may, in turn, lower the demand for our services and negatively affect our revenue and profitability. A weak or declining economy could also cause our customers to delay making payments for our services. Additionally, any weakening or failure of banking institutions or banking systems, which could be caused by a weakening or slowdown of the U.S., European or global economies, could adversely impact our business, operating results and financial condition and negatively impact our ability to receive and make payments. Brexit and the resulting economic uncertainty could also adversely impact our operating results unless and until economic conditions in Europe improve and the prospect of national debt defaults in Europe decline. To the extent that these adverse economic conditions continued or worsened, they would likely have a negative effect on our business. If we are unable to successfully anticipate changing economic and political conditions affecting the markets in which we operate, we may be unable to effectively plan for or respond to those changes, and our results of operations could be adversely affected.

Our international operations involve risks that could increase our expenses, adversely affect our results of operations and require increased time and attention from our management.

As of June 30, 2020, we had 6,624 employees (including directors), approximately 50.8% of whom work in nearshore delivery centers in European Union countries. We have operations in a number of countries, including Argentina, Austria, Australia, Bulgaria, Colombia, Denmark, Germany, Ireland, North Macedonia, Moldova, the Netherlands, Romania, Serbia, Singapore, the United Kingdom, the United States, Uruguay and Venezuela, and we serve clients across Europe and North America. As part of our acquisition of CDS on August 17, 2020, we acquired new operations in Austria, Bosnia and Herzegovina, Germany, Ireland, Serbia, Slovenia and the United States. As a result, we may be subject to risks inherently associated with international operations. Our global operations expose us to numerous and sometimes conflicting legal, tax and regulatory requirements, and violations or unfavorable interpretation by the respective authorities of these regulations could harm our business. Risks associated with international operations include difficulties in enforcing contractual rights, potential difficulties in collecting accounts receivable, the burdens of complying with a wide variety of foreign laws, repatriation of earnings or capital and the

risk of asset seizures by foreign governments. In addition, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations. Such companies may have long-standing or well-established relationships with desired clients, which may put us at a competitive disadvantage. We may also face difficulties integrating new facilities in different countries into our existing operations, as well as integrating employees that we hire in different countries into our existing corporate culture. Our international expansion plans may not be successful and we may not be able to compete effectively in other countries. These factors could impede the success of our international expansion plans and limit our ability to compete effectively in other countries. Additionally, addressing the operational and other challenges posed by our international operations will require significant time and attention from management, which may divert management's attention from other important matters.

Our business, results of operations and financial condition may be adversely affected by the various conflicting legal and regulatory requirements imposed on us by the countries where we operate.

Since we maintain operations and provide services to clients throughout the world, we are subject to numerous, and sometimes conflicting, legal requirements on matters as diverse as import/export controls, content requirements, trade restrictions, tariffs, taxation, sanctions, government affairs, anti-bribery, whistle blowing, internal and disclosure control obligations, data protection and privacy, labor relations and COVID-19 related regulations and restrictions. Our failure to comply with these regulations in the conduct of our business could result in fines, penalties, criminal sanctions against us or our officers, disgorgement of profits, prohibitions on doing business, unfavorable publicity, adverse impact on our reputation and allegations by our clients that we have not performed our contractual obligations. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights.

We are also subject to risks relating to compliance with a variety of national and local laws including multiple tax regimes, labor laws, employee health safety and wages and benefits laws. We may, from time to time, be subject to litigation or administrative actions resulting from claims against us by current or former employees individually or as part of class actions, including claims of wrongful terminations, discrimination, misclassification or other violations of labor law or other alleged conduct. We may also, from time to time, be subject to litigation resulting from claims against us by third parties, including claims of breach of non-compete and confidentiality provisions of our employees' former employment agreements with such third parties. Our failure to comply with applicable regulatory requirements could have a material adverse effect on our revenue, business, results of operations and financial condition.

Many commercial laws and regulations in Central Europe and Latin America are relatively new and have been subject to limited interpretation. As a result, their application can be unpredictable. Government authorities have a high degree of discretion in certain countries in which we have operations and at times have exercised their discretion in ways that may be perceived as selective or arbitrary, and sometimes in a manner that is seen as being influenced by political or commercial considerations. These governments also have the power, in certain circumstances, to interfere with the performance of, nullify or terminate contracts. Selective or arbitrary actions have included withdrawal of licenses, sudden and unexpected tax audits, criminal prosecutions and civil actions. Federal and local government entities have also used common defects in documentation as pretexts for court claims and other demands to invalidate and/or to void transactions, apparently for political purposes. In this environment, our competitors could receive preferential treatment from the government, potentially giving them a competitive advantage. Selective or arbitrary government action could materially adversely affect our business, financial condition and results of operations.

Litigation or legal proceedings could expose us to significant liabilities and have a negative impact on our reputation or business.

From time to time, we may be party to various claims and litigation proceedings. We evaluate these claims and litigation proceedings to assess the likelihood of unfavorable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we may establish reserves, as appropriate. These assessments and estimates are based on the information available to management at the time and involve a significant amount of management judgment. Actual outcomes or losses may differ materially from our assessments and estimates. We are not currently party to any material litigation.

Even when not merited, the defense of these lawsuits may divert our management's attention, and we may incur significant expenses in defending these lawsuits. The results of litigation and other legal proceedings are inherently uncertain, and adverse judgments or settlements in some of these legal disputes may result in adverse monetary damages, penalties or injunctive relief against us, which could have a material adverse effect on our financial position, cash flows or results of operations. Any claims or litigation, even if fully indemnified or insured, could damage our reputation and make it more difficult to compete effectively or to obtain adequate insurance in the future.

Furthermore, while we maintain insurance for certain potential liabilities, such insurance does not cover all types and amounts of potential liabilities and is subject to various exclusions as well as caps on amounts recoverable. Even if we believe a claim is covered by insurance, insurers may dispute our entitlement to recovery for a variety of potential reasons, which may affect the timing and, if the insurers prevail, the amount of our recovery.

Changes and uncertainties in the tax system in the countries in which we have operations, could materially adversely affect our financial condition and results of operations.

We conduct business globally and file income tax returns in multiple jurisdictions. Our consolidated effective income tax rate could be materially adversely affected by several factors, including: changing tax laws, regulations and treaties, or the interpretation thereof; tax policy initiatives and reforms under consideration (such as those related to the Organization for Economic Co-Operation and Development's, or OECD, Base Erosion and Profit Shifting, or BEPS, Project, BEPS 2.0, the European Commission's state aid investigations and other initiatives); the practices of tax authorities in jurisdictions in which we operate; the cancellation of or alteration to relevant tax incentive regimes; the resolution of issues arising from tax audits or examinations and any related interest or penalties. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends paid.

In particular, there have been significant changes to the taxation systems in Central European countries and also in Argentina and the United States in recent years as the authorities have gradually replaced or introduced new legislation regulating the application of major taxes such as corporate income tax, VAT, corporate property tax, personal income taxes and payroll taxes. In addition, if the United Kingdom is unable to agree to an exit deal with the European Union that includes exemption of withholding tax on dividends between U.K. and E.U. resident group members, profits recognized by us in Romania may become subject to a 5% withholding tax on distributions to us.

We are unable to predict what tax reforms may be proposed or enacted in the future or what effect such changes would have on our business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices in jurisdictions in which we operate, could increase the estimated tax liability that we have expensed to date and paid or accrued on our balance sheets, and otherwise affect our financial position, future results of operations, cash flows in a particular period and overall or effective tax rates in the future in countries where we have operations, reduce post-tax returns to our shareholders and increase the complexity, burden and cost of tax compliance.

There may be adverse tax and employment law consequences if the independent contractor status of some of our personnel or the exempt status of our employees is successfully challenged.

We retain certain of our workforce as independent contractors, which has increased due to our recent acquisitions, and the determination of whether an individual is considered an independent contractor or an employee typically varies by jurisdiction and depends on the interpretation of the applicable laws. If there is a change in law or regulation, such as the changes to the rules often referred to as "IR35" or the "off-payroll working rules" in the United

Kingdom that are due to apply from April 2021, or a government authority or court makes a determination with respect to the requirements for being an independent contractor that differs from our approach either generally or specifically against an independent contractor who works for us, then we could incur significant costs. These could include increased employee benefits costs as well as withholding and other taxes, and could apply to previous periods. Furthermore, any such change in law or regulation or government or court determination could negatively impact how we structure our business and who we hire, which along with any increase in our costs, could materially adversely affect our business, financial condition and results of operations and increase the difficulty in attracting and retaining personnel.

Tax authorities may disagree with our positions and conclusions regarding certain tax positions, or may apply existing rules in an arbitrary or unforeseen manner, resulting in unanticipated costs, taxes or non-realization of expected benefits.

A tax authority may disagree with tax positions that we have taken, which could result in increased tax liabilities. For example, Her Majesty's Revenue & Customs, or HMRC, the U.S. Internal Revenue Service or another tax authority could challenge our allocation of income by tax jurisdiction and the amounts paid between our affiliated companies pursuant to our intercompany arrangements and transfer pricing policies, including methodologies for valuing developed technology and amounts paid with respect to our intellectual property development. Similarly, a tax authority could assert that we are subject to tax in a jurisdiction where we believe we have not established a taxable connection, often referred to as a "permanent establishment" under international tax treaties, and such an assertion, if successful, could increase our expected tax liability in one or more jurisdictions. In particular, tax authorities in Central European countries have been aggressive in their interpretation of tax laws and their many ambiguities, as well as in their enforcement and collection activities.

For example, a tax authority may take the position that material income tax liabilities, interest and penalties are payable by us, where there has been a technical violation of contradictory laws and regulations that are relatively new and have not been subject to extensive review or interpretation, in which case we expect that we might contest such assessment. High-profile companies can be particularly vulnerable to aggressive application of unclear requirements. Many companies must negotiate their tax bills with tax inspectors who may demand higher taxes than applicable law appears to provide. Contesting such an assessment may be lengthy and costly and if we were unsuccessful in disputing the assessment, the implications could increase our anticipated effective tax rate, where applicable.

We do not anticipate being treated as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for the current taxable year, but this conclusion is a factual determination that is made annually and thus may be subject to change. If we were to qualify as a PFIC, this could result in adverse U.S. tax consequences to certain U.S. holders.

Generally, if, for any taxable year, at least 75% of our gross income is passive income, or on average at least 50% of the value of our assets is attributable to assets that produce passive income or are held for the production of passive income, including cash, we would be characterized as a PFIC for U.S. federal income tax purposes. For purposes of these tests, passive income generally includes dividends, interest, and gains from the sale or exchange of investment property and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business. Our status as a PFIC depends on the composition of our income and the composition and value of our assets (for which purpose the total value of our assets may be determined in part by the market value of our ADSs representing Class A ordinary shares, which are subject to change) from time to time. If we are characterized as a PFIC, U.S. holders of our ADSs may suffer adverse U.S. tax consequences, including having gains realized on the sale of our ADSs treated as ordinary income, rather than capital gain, the loss of the preferential rate applicable to dividends received on our ADSs by individuals who are U.S. holders, and having interest charges apply to distributions by us and the proceeds of sales of ADSs.

Although PFIC status is determined on an annual basis and generally cannot be determined until the end of the taxable year, based on the nature of our current and expected income and the current and expected value and composition of our assets, we believe we were not a PFIC for our 2019 tax year and we do not expect to be a PFIC for our current taxable year. However, our status as a PFIC is a fact-intensive determination made on an annual basis, and we cannot provide any assurances regarding our PFIC status for the current, prior or future taxable years. See "Taxation—U.S.

Federal Income Tax Considerations for U.S. Holders—Passive Foreign Investment Company Rules" for a further discussion of the PFIC rules.

Emerging markets are subject to greater risks than more developed markets, and financial turmoil in any emerging market could disrupt our business.

Central European and Latin American countries are generally considered to be emerging markets, which are subject to rapid change and greater legal, economic and political risks than more established markets. Financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Central Europe and Latin America and adversely affect the economy of the region. Political instability could result in a worsening overall economic situation, including capital flight and slowdown of investment and business activity. Current and future changes in governments of the countries in which we have or develop operations, as well as major policy shifts or lack of consensus between various branches of the government and powerful economic groups, could lead to political instability and disrupt or reverse political, economic and regulatory reforms, which could materially adversely affect our business and operations in those countries. In addition, political and economic relations between certain of the countries in which we operate are complex, and recent conflicts have arisen between certain of their governments. Political, ethnic, religious, historical and other differences have, on occasion, given rise to tensions and, in certain cases, military conflicts among Central European or Latin American countries which can halt normal economic activity and disrupt the economies of neighboring regions. The emergence of new or escalated tensions in Central European or Latin American countries could further exacerbate tensions between such countries and the United Kingdom, the United States and the European Union, which may have a negative effect on their economy, our ability to develop or maintain our operations in those countries and our ability to attract and retain employees, any of which could materially adversely affect our business and operations.

In addition, banking and other financial systems in certain countries in which we have operations are less developed and regulated than in some more developed markets, and legislation relating to banks and bank accounts is subject to varying interpretations and inconsistent application. Banks in these regions often do not meet the banking standards of more developed markets, and the transparency of the banking sector lags behind international standards. Furthermore, in certain countries in which we operate, bank deposits made by corporate entities generally either are not insured or are insured only to specified limits. As a result, the banking sector remains subject to periodic instability. Another banking crisis, or the bankruptcy or insolvency of banks through which we receive or with which we hold funds may result in the loss of our deposits or adversely affect our ability to complete banking transactions in certain countries in which we have operations, which could materially adversely affect our business and financial condition.

Wage inflation and other compensation expense for our IT professionals could adversely affect our financial results.

Wage costs for IT professionals in Central European and Latin American countries are lower than comparable wage costs in more developed countries. However, wage costs in the technology services industry in these countries may increase at a faster rate than in the past and wage inflation for the IT industry may be higher than overall wage inflation within these countries. We may need to increase the levels of employee compensation more rapidly than in the past to remain competitive, and we may not be able to pass on these increased costs to our clients. Unless we are able to continue to increase the efficiency and productivity of our employees as well as the prices we can charge for our services, wage inflation may materially adversely affect our financial condition and results of operations.

We are subject to the U.K. Bribery Act, the U.S. Foreign Corrupt Practices Act and other anti-corruption laws, as well as export control laws, import and customs laws, trade and economic sanctions laws and other laws governing our operations.

Our operations are subject to anti-corruption laws, including the U.K. Bribery Act 2010, or the Bribery Act, the U.S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. §201, the U.S. Travel Act, and other anti-corruption laws that apply in countries where we do business. The Bribery Act, the FCPA and these other laws generally prohibit us and our employees and intermediaries from authorizing, promising, offering, or providing, directly or indirectly, improper or prohibited payments, or anything else of value, to government officials or other persons to obtain or retain business or gain some other business advantage. Under the Bribery Act, we may also be liable for failing to prevent a person associated with us from committing a bribery offense. We operate in a number of jurisdictions that pose a high risk of potential Bribery Act or FCPA violations. In addition,

we cannot predict the nature, scope or effect of future regulatory requirements to which our international operations might be subject or the manner in which existing laws might be administered or interpreted.

We are also subject to other laws and regulations governing our international operations, including regulations administered by the governments of the United Kingdom and the United States, and authorities in the European Union, including applicable export control regulations, economic sanctions and embargoes on certain countries and persons, anti-money laundering laws, import and customs requirements and currency exchange regulations, collectively referred to as the Trade Control laws. We may not be completely effective in ensuring our compliance with all such applicable laws, which could result in our being subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses. Likewise, any investigation of any potential violations of such laws by United Kingdom, United States or other authorities could also have an adverse impact on our reputation, our business, results of operations and financial condition.

Risks Related to Our ADSs and the Trading of Our ADSs

We have identified material weaknesses in our disclosure controls and internal controls over financial reporting. If we fail to remediate the material weaknesses and maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired, and the trading price of our ADSs may be negatively impacted.

As a public company, we are required, pursuant to Section 404 of the Sarbanes-Oxley Act, or Section 404, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for the fiscal year ended June 30, 2020. This assessment is required to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. Effective July 1, 2020, we are no longer an "emerging growth company," as defined in the JOBS Act. As a result, we are also required to have our independent registered public accounting firm issue an opinion on the effectiveness of our internal control over financial reporting on an annual basis.

As disclosed in Item 15, for the fiscal year ended June 30, 2020, we identified material weaknesses in internal controls related to (i) effective risk assessment processes, (ii) training and knowledge of the COSO 2013 Framework and (iii) information technology general controls (ITGCs), policies and procedures. While we are actively engaged in implementing remedial measures, we cannot assure you that these measures will be effective. We also cannot assure you that there will not be additional material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any additional or sustained failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations. If we are unable to remediate the material weaknesses or to conclude in the future that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have additional material weaknesses in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our ADSs could decline, and we could be subject to sanctions or investigations by the New York Stock Exchange, the SEC or other regulatory authorities. Failure to remedy any material weaknesses in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets. For details of the controls, material weaknesses and our remediation plan, see the section of this annual report entitled "Item 15. Controls and Procedures-A.-Disclosure Controls and Procedures."

Our share price may be volatile or may decline regardless of our operating performance.

The trading price of our ADSs has fluctuated, and is likely to continue to fluctuate. The trading price of our ADSs depends on a number of factors, many of which are beyond our control and may not be related to our operating performance, including:

- actual or anticipated fluctuations in our financial condition and operating results;
- variance in our financial performance from expectations of securities analysts;
- changes in the prices of our services;

- changes in our projected operating and actual financial results;
- changes in laws or regulations applicable to our business;
- announcements by us or our competitors of significant business developments, acquisitions or new offerings;
- our involvement in any litigation;
- our sale of our ADSs or other securities in the future;
- changes in senior management or key personnel;
- the trading volume of our ADSs;
- changes in the anticipated future size and growth rate of our market;
- natural disasters, pandemics, including the ongoing COVID-19 pandemic, acts of terrorism and other events beyond our control; and
- general economic, regulatory, political and market conditions.

Stock markets frequently experience price and volume fluctuations that affect the market prices of equity securities of many companies. These fluctuations have often been unrelated or disproportionate to the operating performance of those companies. Broad market and industry fluctuations, as well as general economic, political, regulatory and market conditions, may negatively impact the market price of our ADSs. In the past, companies that have experienced volatility in the market price of their securities have been subject to securities class action litigation. We may be the target of this type of litigation in the future, which could result in substantial costs and divert our management's attention.

An active public trading market for our ADSs may not be sustained.

Prior to the completion of our initial public offering, no public market existed for our securities. An active public trading market for our ADSs may not be sustained. The lack of an active market may impair your ability to sell your ADSs at the time you wish to sell them or at a price that you consider reasonable. The lack of an active market may also reduce the fair value of your ADSs. An inactive market may also impair our ability to raise capital to continue to fund operations by selling ADSs and may impair our ability to acquire other companies or technologies by using our ADSs as consideration.

Future sales of our ADSs by existing shareholders could cause the market price of our ADSs to decline.

Sales of a substantial number of our ADSs in the public market by our existing shareholders, or the perception that these sales might occur, could depress the market price of our ADSs and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that such sales may have on the prevailing market price of our ADSs.

Our articles of association provides for various selling restrictions, including that (i) each holder of Class B ordinary shares may not dispose of (a) more than 40% of the Class B ordinary shares held by such holder as of July 26, 2018 in the three-year period following July 26, 2018 (including by conversion to Class A ordinary shares) and (b) more than 60% of the Class B ordinary shares held by such holder as of July 26, 2018 in the five-year period following July 26, 2018 (including by conversion to Class A ordinary shares), and (ii) each holder of Class C ordinary shares may not dispose of more than 25% of the Class C ordinary shares held by such holder as of July 26, 2018 in the 18-month period following July 26, 2018 (including by conversion to Class A ordinary shares). As of June 30, 2020, we had 39,731,004 outstanding ordinary shares, which were not subject to lock-ups or selling restrictions. As of January 26, 2020, all of the selling restrictions on our Class C ordinary shares had lapsed, and on July 26, 2020, all of our Class C ordinary shares automatically converted to Class A ordinary shares. Accordingly, as of August 15, 2020, we had 34,082,461 outstanding ordinary shares, which were not subject to lock-ups or selling restrictions.

In addition, as of June 30, 2020 there were outstanding 2,950,068 Class A ordinary shares issuable by us upon exercise of outstanding share options or the vesting of restricted share units, or RSUs. We have registered all of the

ADSs representing Class A ordinary shares issuable upon exercise of outstanding options or the vesting of RSUs, and upon exercise of settlement of any options or other equity incentives we may grant in the future, for public resale under the Securities Act. Accordingly, these shares will be able to be freely sold in the public market upon issuance as permitted by any applicable vesting requirements, subject to restrictions on sales of our shares by affiliates.

Shareholder protections found in provisions under the U.K. City Code on Takeovers and Mergers, or the Takeover Code, will not apply if our place of management and control is considered to change to outside the United Kingdom.

The Takeover Code applies to all offers for public limited companies incorporated in England and Wales which have their registered offices in the United Kingdom and which are considered by the Panel on Takeovers and Mergers, or the Takeover Panel, to have their place of central management and control in the United Kingdom.

On July 6, 2018, we re-registered as a public limited company incorporated in England and Wales. Our place of central management and control was at that time, and remains in, the United Kingdom for the purposes of the Takeover Code. Accordingly, we are currently subject to the Takeover Code and, as a result, our shareholders are entitled to the benefit of the various protections provided under the Takeover Code. The Takeover Code provides a framework within which takeovers of companies are regulated and conducted. If, at the time of a takeover offer, the Takeover Panel determines that we do not have our place of central management and control in the United Kingdom, then the Takeover Code would not apply to us and our shareholders would not be entitled to the benefit of the various protections that the Takeover Code affords. In particular, the rules regarding mandatory takeover bids described below would not apply. The following is a brief summary of some of the most important rules of the Takeover Code:

- When any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares already held by that person and an interest in shares held or acquired by persons acting in concert with him or her) carry 30% or more of the voting rights of a company that is subject to the Takeover Code, that person is generally required to make a mandatory offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire the balance of their interests in the company.

- When any person who, together with persons acting in concert with him or her, is interested in shares representing not less than 30% but does not hold more than 50% of the voting rights of a company that is subject to the Takeover Code, and such person, or any person acting in concert with him or her, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he or she is interested, then such person is generally required to make a mandatory offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company.

- A mandatory offer triggered in the circumstances described in the two paragraphs above must be in cash (or be accompanied by a cash alternative) and at not less than the highest price paid within the preceding 12 months to acquire any interest in shares in the company by the person required to make the offer or any person acting in concert with him or her.

- In relation to a voluntary offer (i.e. any offer which is not a mandatory offer), when interests in shares representing 10% or more of the shares of a class have been acquired for cash by an offeror (i.e., a bidder) and any person acting in concert with it in the offer period and the previous 12 months, the offer must be in cash or include a cash alternative for all shareholders of that class at not less than the highest price paid for any interest in shares of that class by the offeror and by any person acting in concert with it in that period. Further, if an offeror acquires for cash any interest in shares during the offer period, a cash alternative must be made available at not less than the highest price paid for any interest in the shares of that class.

- If the offeror or any person acting in concert with it acquires an interest in shares in the offeree company (i.e., the target) at a price higher than the value of the offer, the offer must be increased to not less than the highest price paid for the interest in shares so acquired.

- The offeree company must obtain competent advice as to whether the terms of any offer are fair and reasonable and the substance of such advice must be made known to all the shareholders, together with the opinion of the board of directors of the offeree company.
- Special deals with favorable conditions for selected shareholders are not permitted.
- All shareholders must be given the same information.
- Each document published in connection with an offer by or on behalf of the offeror or offeree must state that the directors of the offeror or the offeree, as the case may be, accept responsibility for the information contained therein.
- Profit forecasts, quantified financial benefits statements and asset valuations must be made to specified standards and must be reported on by professional advisers.
- Misleading, inaccurate or unsubstantiated statements made in documents or to the media must be publicly corrected immediately.
- Actions during the course of an offer by the offeree company, which might frustrate the offer, are generally prohibited unless shareholders approve these plans.
- Stringent and detailed requirements are laid down for the disclosure of dealings in relevant securities during an offer.

Employee representatives or employees of both the offeror and the offeree company and the trustees of the offeree company's pension scheme must be informed about an offer. In addition, the offeree company's employee representatives and pension scheme trustees have the right to have a separate opinion on the effects of the offer on employment and pension scheme(s), respectively, appended to the offeree board of directors' circular or published on a website.

The dual class structure of our ordinary shares has the effect of concentrating voting control for the foreseeable future, which will limit your ability to influence corporate matters.

Our Class B ordinary shares have 10 votes per share, and our Class A ordinary shares, which are the shares underlying the ADSs have one vote per share. Given the greater number of votes per share attributed to our Class B ordinary shares, holders of Class B ordinary shares collectively beneficially hold shares representing approximately 86.4% of the voting rights of our outstanding share capital as of August 15, 2020. Further, John Cotterell, our Chief Executive Officer, beneficially holds Class B ordinary shares representing approximately 39.8% of the voting rights of our outstanding share capital as of August 15, 2020. Consequently, Mr. Cotterell will continue to be able to have a significant influence on corporate matters submitted to a vote of shareholders. Notwithstanding this concentration of control, we do not currently qualify as a "controlled company" under New York Stock Exchange listing rules.

This concentrated control will limit your ability to influence corporate matters for the foreseeable future. This concentrated control could also discourage a potential investor from acquiring our ADSs due to the limited voting power of the Class A ordinary shares underlying the ADSs relative to the Class B ordinary shares and might harm the market price of our ADSs. In addition, Mr. Cotterell has the ability to control the management and major strategic investments of our company as a result of his position as our Chief Executive Officer. As a member of our board of directors, Mr. Cotterell owes statutory and fiduciary duties to us and must act in good faith and in a manner that he considers would be most likely to promote the success of our company for the benefit of our shareholders as a whole. As a shareholder, Mr. Cotterell is entitled to vote his shares in his own interests, which may not always be in the interests of our shareholders generally. For a description of our dual class structure, see "Description of Share Capital and Articles of Association."

Future transfers by other holders of Class B ordinary shares will generally result in those shares converting on a one-to-one basis to Class A ordinary shares, subject to limited exceptions, such as certain transfers effected for estate planning purposes. The conversion of our Class B ordinary shares into Class A ordinary shares will have the effect, over time, of increasing the relative voting power of those holders of Class B ordinary shares who retain their shares in the long-term.

We cannot predict the impact our dual class share structure may have on our ADS price or our business.

We cannot predict whether our dual class share structure, combined with the concentrated control of our shareholders who held our ordinary shares prior to the completion of our initial public offering, including our executive officers, employees and directors and their affiliates, will result in a lower or more volatile market price of our ADSs or in adverse publicity or other adverse consequences. For example, certain index providers have announced restrictions on including companies with multiple-class share structures in certain of their indexes. In July 2017, FTSE Russell announced that it plans to require new constituents of its indexes to have greater than 5% of the company's voting rights in the hands of public shareholders, and S&P Dow Jones announced that it will no longer admit companies with multiple-class share structures to certain of its indexes. Because of our dual class structure, we will likely be excluded from these indexes and we cannot assure you that other stock indexes will not take similar actions. Given the sustained flow of investment funds into passive strategies that seek to track certain indexes, exclusion from stock indexes would likely preclude investment by many of these funds and could make our ADSs less attractive to other investors. As a result, the market price of our ADSs could be adversely affected.

The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.

We are incorporated under English law. The rights of holders of ordinary shares and, therefore, certain of the rights of holders of our ADSs, are governed by English law, including the provisions of the Companies Act 2006, or the Companies Act, and by our Articles of Association. These rights differ in certain respects from the rights of shareholders in typical U.S. corporations. See "Item 10.B—Memorandum and Articles of Association" and "Item 16.G—Corporate Governance" in this Annual Report on Form 20-F for a description of the principal differences between the provisions of the Companies Act applicable to us and, for example, the Delaware General Corporation Law relating to shareholders' rights and protections.

Holders of our ADSs have fewer rights than our shareholders and must act through the depositary to exercise their rights.

Holders of our ADSs do not have the same rights as our shareholders and may only exercise their voting rights with respect to the underlying Class A ordinary shares in accordance with the provisions of the deposit agreement. Holders of the ADSs have appointed the depositary or its nominee as their representative to exercise the voting rights attaching to the Class A ordinary shares represented by the ADSs. When a general meeting is convened, if you hold ADSs, you may not receive sufficient notice of a shareholders' meeting to permit you to withdraw the Class A ordinary shares underlying your ADSs to allow you to vote directly with respect to any specific matter. We will make all commercially reasonable efforts to cause the depositary to extend voting rights to you in a timely manner, but we cannot assure you that you will receive voting materials in time to instruct the depositary to vote, and it is possible that you, or persons who hold their ADSs through brokers, dealers or other third parties, will not have the opportunity to exercise a right to vote. Furthermore, the depositary will not be liable for any failure to carry out any instructions to vote, for the manner in which any vote is cast or for the effect of any such vote. As a result, you may not be able to exercise your right to vote and you may lack recourse if your ADSs are not voted as you request. In addition, in your capacity as an ADS holder, you will not be able to call a shareholders' meeting. See "Item 12.D—Description of American Depositary Shares."

Holders of our ADSs may face limitations on transfer and withdrawal of underlying Class A ordinary shares.

Our ADSs, which may be evidenced by ADRs, are transferable on the books of the depositary. However, the depositary may close its books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may refuse to deliver, transfer or register transfers of your ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary think it is advisable to do so because of any requirement of law, government or governmental body, or under any provision of the deposit agreement, or for any other reason subject to your right to cancel your ADSs and withdraw the underlying Class A ordinary shares. Temporary delays in the cancellation of your ADSs and withdrawal of the underlying Class A ordinary shares may arise because the depositary has closed its transfer books or we have closed our transfer books, the transfer of ordinary shares is blocked to permit voting at a shareholders' meeting or we are paying a dividend on our Class A ordinary shares. In addition, you may not be able to cancel your ADSs and withdraw the underlying Class A ordinary shares when you owe money for fees, taxes and similar charges and when it is necessary to prohibit withdrawals in

order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of Class A ordinary shares or other deposited securities. See "Item 12.D—Description of American Depositary Shares."

ADS holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement governing the ADSs representing our Class A ordinary shares provides that holders and beneficial owners of ADSs irrevocably waive the right to a trial by jury in any legal proceeding arising out of or relating to the deposit agreement or the ADSs, including in respect of claims under federal securities laws, against us or the depositary to the fullest extent permitted by applicable law. If this jury trial waiver provision is prohibited by applicable law, an action could nevertheless proceed under the terms of the deposit agreement with a jury trial. To our knowledge, the enforceability of a jury trial waiver under the federal securities laws has not been finally adjudicated by a federal court. However, we believe that a jury trial waiver provision is generally enforceable under the laws of the State of New York, which govern the deposit agreement, by a court of the State of New York or a federal court, which have non-exclusive jurisdiction over matters arising under the deposit agreement, applying such law. In determining whether to enforce a jury trial waiver provision, New York courts and federal courts will consider whether the visibility of the jury trial waiver provision within the agreement is sufficiently prominent such that a party has knowingly waived any right to trial by jury. We believe that this is the case with respect to the deposit agreement and the ADSs. In addition, New York courts will not enforce a jury trial waiver provision in order to bar a viable setoff or counterclaim sounding in fraud or one which is based upon a creditor's negligence in failing to liquidate collateral upon a guarantor's demand, or in the case of an intentional tort claim (as opposed to a contract dispute), none of which we believe are applicable in the case of the deposit agreement or the ADSs. No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any provision of the federal securities laws. If you or any other holder or beneficial owner of ADSs brings a claim against us or the depositary in connection with such matters, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and/or the depositary. If a lawsuit is brought against us and/or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action, depending on, among other things, the nature of the claims, the judge or justice hearing such claims, and the venue of the hearing.

Claims of U.S. civil liabilities may not be enforceable against us.

We are incorporated under English law. Substantially all of our assets are located outside the United States. The majority of our senior management and board of directors reside outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons or to enforce judgments obtained in U.S. courts against them or us, including judgments predicated upon the civil liability provisions of the U.S. federal securities laws.

The United States and the United Kingdom do not currently have a treaty providing for recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, would not automatically be recognized or enforceable in the United Kingdom. In addition, uncertainty exists as to whether U.K. courts would entertain original actions brought in the United Kingdom against us or our directors or senior management predicated upon the securities laws of the United States or any state in the United States. Any final and conclusive monetary judgment for a definite sum obtained against us in U.S. courts would be treated by the courts of the United Kingdom as a cause of action in itself and sued upon as a debt at common law so that no retrial of the issues would be necessary, provided that certain requirements are met. Whether these requirements are met in respect of a judgment based upon the civil liability provisions of the U.S. securities laws, including whether the award of monetary damages under such laws would constitute a penalty, is an issue for the court making such decision. If an English court gives judgment for the sum payable under a U.S. judgment, the English judgment will be enforceable by methods generally available for this purpose. These methods generally permit the English court discretion to prescribe the manner of enforcement.

As a result, U.S. investors may not be able to enforce against us or our senior management, board of directors or certain experts named herein who are residents of the United Kingdom or countries other than the United States any judgments obtained in U.S. courts in civil and commercial matters, including judgments under the U.S. federal securities laws.

As a foreign private issuer, we are exempt from a number of rules under the U.S. securities laws and are permitted to file less information with the SEC than U.S. public companies.

We are a "foreign private issuer," as defined in the SEC rules and regulations and, consequently, we are not subject to all of the disclosure requirements applicable to companies organized within the United States. For example, we are exempt from certain rules under the U.S. Securities Exchange Act of 1934, as amended, or the Exchange Act, that regulate disclosure obligations and procedural requirements related to the solicitation of proxies, consents or authorizations applicable to a security registered under the Exchange Act. In addition, our officers and directors are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities. Further, we are not required to comply with Regulation FD, which restricts the selective disclosure of material information. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. public companies. Accordingly, there may be less publicly available information concerning our company than there is for U.S. public companies.

As a foreign private issuer, we file annual reports on Form 20-F within four months of the close of each fiscal year ended June 30 and reports on Form 6-K relating to certain material events promptly after we publicly announce these events. However, because of the above exemptions for foreign private issuers, our shareholders are not afforded the same protections or information generally available to investors holding shares in public companies organized in the United States.

While we are a foreign private issuer, we are not subject to certain New York Stock Exchange corporate governance listing standards applicable to U.S. listed companies.

We are entitled to rely on a provision in the New York Stock Exchange's corporate governance listing standards that allows us to follow English corporate law and the Companies Act with regard to certain aspects of corporate governance. This allows us to follow certain corporate governance practices that differ in significant respects from the corporate governance requirements applicable to U.S. companies listed on the New York Stock Exchange.

For example, we are exempt from New York Stock Exchange regulations that require a listed U.S. company to (1) have a majority of the board of directors consist of independent directors, (2) require regularly scheduled executive sessions with only independent directors each year and (3) have a remuneration committee or a nominations or corporate governance committee consisting entirely of independent directors.

In accordance with our New York Stock Exchange listing, our audit committee is required to comply with the provisions of Section 301 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, and Rule 10A-3 of the Exchange Act, both of which are also applicable to New York Stock Exchange-listed U.S. companies. Because we are a foreign private issuer, however, our audit committee is not subject to additional New York Stock Exchange requirements applicable to listed U.S. companies, including an affirmative determination that all members of the audit committee are "independent," using more stringent criteria than those applicable to us as a foreign private issuer. Furthermore, the New York Stock Exchange's corporate governance listing standards require listed U.S. companies to, among other things, seek shareholder approval for the implementation of certain equity compensation plans and issuances of ordinary shares, which we are not required to follow as a foreign private issuer.

We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.

As a foreign private issuer, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. We may no longer be a foreign private issuer when such status is assessed as of December 31, 2020 (the end of our second fiscal quarter), which would require us to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers as of July 1, 2021. In order to maintain our current status as a foreign private issuer, either (a) a majority

of our ordinary shares must be either directly or indirectly owned of record by non-residents of the United States or (b)(1) a majority of our executive officers or directors cannot be U.S. citizens or residents, (2) more than 50 percent of our assets must be located outside the United States and (3) our business must be administered principally outside the United States. If we lose our status as a foreign private issuer, we would be required to comply with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers and will require that we prepare our financial statements in accordance with U.S. Generally Accepted Accounting Principles. We may also be required to make changes in our corporate governance practices in accordance with various SEC and rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer will be significantly higher than the cost we would incur as a foreign private issuer. As a result, we expect that a loss of foreign private issuer status would increase our legal and financial compliance costs and would make some activities highly time consuming and costly.

If securities or industry analysts do not publish research or reports about our business, or publish negative reports about our business, our share price and trading volume could decline.

The trading market for our ADSs depends, in part, on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts or the content that they publish about us. If our financial performance fails to meet analyst estimates or one or more of the analysts who cover us downgrade our ADSs or change their opinion of our ADSs, our ADS price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our ADS price or trading volume to decline.

We do not intend to pay dividends for the foreseeable future and, as a result, your ability to achieve a return on your investment will depend on appreciation in the price of our ADSs.

We currently intend to retain any future earnings to finance the growth and development of the business and, therefore, we do not anticipate that we will pay any cash dividends on our ordinary shares, including on the Class A ordinary shares underlying our ADSs, in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our board of directors and will be dependent upon our future financial condition, results of operations and capital requirements, general business conditions and other relevant factors as determined by our board of directors. Accordingly, investors must rely on sales of their ADSs after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

Item 4. Information on the Company

A. *History and Development of the Company*

Corporate Information

The legal and commercial name of our company is Endava plc. We were originally incorporated in February 2006 as Endava Limited, a private company with limited liability and indefinite life under the laws of England and Wales. In July 2018, we completed a corporate reorganization, pursuant to which all of our shareholders were required to elect to exchange each of the existing ordinary shares in the capital of Endava Limited held by them for the same number of Class B ordinary shares or Class C ordinary shares; provided, that the Endava Limited Guernsey Employee Benefit Trust, or the EBT, exchanged all existing ordinary shares held by it for the same number of Class A ordinary shares. Each Class A ordinary share is entitled to one vote per share and each Class B ordinary share is entitled to ten votes per share. On July 26, 2020, all of our Class C ordinary shares automatically converted to Class A ordinary shares.

On July 6, 2018, we re-registered Endava Limited as a public limited company and our name was changed from Endava Limited to Endava plc. We are registered with the Registrar of Companies in England and Wales under number 5722669, and our registered office is 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Our principal executive office is located at 125 Old Broad Street, London EC2N 1AR, United Kingdom and our telephone number is +44 20 7367 1000. Our agent for service of process in the United States is Endava Inc., located at 757 Third Avenue Suite 1900, New York, NY 10017 and the telephone number for Endava Inc. is +1 (212) 920-7240.

Our website address is www.endava.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this Annual Report on Form 20-F, and you should not consider information on our website to be part of this Annual Report on Form 20-F. The Securities and Exchange Commission, or SEC, maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding registrants, such as Endava, that file electronically with the Securities and Exchange Commission.

Our capital expenditures for the years ended June 30, 2020, 2019 and 2018 amounted to £9.7 million, £7.3 million and £5.4 million, respectively. These capital expenditures were related primarily to purchases of property and equipment for our delivery centers and software licenses in Romania, Bulgaria, Moldova, North Macedonia, Serbia and Latin America. We expect our capital expenditures to increase in absolute terms in the near term as we continue to grow our operations. We anticipate our capital expenditures in fiscal 2021 to be financed from cash generated from operations and our cash and cash equivalents. We will continue investing technology services in Europe, Latin America and the United States.

B. ***Business Overview***

Overview

We are a leading next-generation technology services provider and help accelerate disruption by delivering rapid evolution to enterprises. We aid our clients in finding new ways to interact with their customers and users, enabling them to become more engaging, responsive and efficient. Using Distributed Enterprise Agile at scale, we collaborate with our clients, seamlessly integrating with their teams, catalyzing ideation and delivering robust solutions. Our approach to ideation comprises an empathy for user needs, curiosity, creativity and a deep understanding of technologies. From proof of concept, to prototype, to production, we use our engineering expertise to deliver enterprise platforms capable of handling millions of transactions per day. Our people, whom we call Endavans, synthesize creativity, technology and delivery at scale in multi-disciplinary teams, enabling us to support our clients from ideation to production.

Waves of technological change are disrupting the nature of competition in every industry. New technologies have enabled the growth and success of companies that leverage these technologies in every aspect of their businesses, or digital native companies, allowing them to be nimble, innovative, data driven and focused on user experience, often through an Agile development approach. Technology has also increased customer expectations, giving customers the ability to choose not only the products and services that they want, but also where, when and how they want them delivered. Incumbent enterprises must undertake digital transformation of their businesses by leveraging technology in order to meet ever-evolving customer expectations and compete with digital native disruptors. According to International Data Corporation, or IDC, the worldwide market for digital transformation services is expected to grow at a compound annual growth rate of 15.3% through 2023 from approximately $451 billion in 2019.

Technological transformation poses numerous challenges for incumbent enterprises. Incumbent enterprises are often laden with legacy infrastructure and applications that are deeply embedded in core transactional systems, making it difficult to reconcile maintenance of existing infrastructure and applications with a nimble approach to using next-generation technologies. Incumbent enterprises are also often stymied by institutional constraints that impede their ability to solve complex problems and rapidly respond to shifting competitive dynamics, as well as ingrained traditional approaches to development. The Agile methodology stands in stark contrast to the IT-department-driven, legacy approach often used by incumbent enterprises, which is premised on a sequential and siloed structure, involves long development cycles, fails to integrate user feedback and is often more costly. Likewise, internal IT teams at incumbent enterprises often struggle to absorb the rapid pace of technology development and its growing complexity. To effectively harness the power of technology, incumbent enterprises need talent in ideation, strategy, user experience, Agile development and next-generation technologies. While incumbent enterprises have historically looked to traditional information technology, or IT, service providers to undertake technology development projects, these traditional players were built to serve, and remain focused on serving, legacy systems using offshore delivery.

We reimagine the relationship between people and technology and help our clients become digital, experience-driven businesses by assisting them in their journey from idea generation to development and deployment of products, platforms and solutions. Our expertise spans the entire ideation-to-production spectrum. We create value for our clients through creation of Product and Technology Strategies, Intelligent Digital Experiences, and World Class Engineering,

delivered through our 24 capabilities, grouped into four key areas: Define, Design, Build and Run & Evolve. We accelerate our clients' ability to take advantage of new business models and market opportunities by ideating and delivering dynamic platforms and intelligent digital experiences that are designed to fuel rapid, ongoing transformation of our customer's businesses. By leveraging next-generation technologies, our agile, multi-disciplinary teams provide a combination of Product & Technology Strategies, Intelligent Experiences, and World Class Engineering to help our clients become more engaging, responsive, and efficient.

At the core of our approach is our proprietary Distributed Enterprise Agile scaling framework, known as The Endava Agile Scaling framework, or TEAS. TEAS utilizes common Agile scaling frameworks, but enhances them by balancing the requirements of delivering both quality and speed-to-market, helping our clients release higher-quality products to market faster, respond better to market changes and incorporate customer and user feedback through rapid releases and product iterations. Our deep familiarity with technologies developed over the last decade including mobile connectivity, social media, automation, big data analytics and cloud delivery, as well as next-generation technologies such as Internet of Things, or IoT, artificial intelligence, machine learning, augmented reality, virtual reality and blockchain, allows us to help our clients transform their businesses.

We locate our nearshore delivery centers in countries that not only have abundant IT talent pools, but also offer us an opportunity to be a preferred employer. We provide services from our nearshore delivery centers, located in two European Union countries (Romania and Bulgaria), three other Central European countries (Moldova, North Macedonia, and Serbia), and four countries in Latin America (Argentina, Colombia, Uruguay and Venezuela). We have close-to-client offices in five Western European countries (Denmark, Germany, Ireland, the Netherlands and the United Kingdom) and in the United States. As part of our acquisition of CDS on August 17, 2020, we acquired new nearshore delivery centers in Bosnia and Herzegovina and Slovenia, an additional delivery center in Serbia and additional close-to-client offices in Germany, Ireland and the United States, as well as, a sales office in Austria. As of June 30, 2020, we had 6,624 employees (including directors), approximately 50.8% of whom work in nearshore delivery centers in European Union countries. We provide Endavans with training to develop their technical and soft skills, in an environment where they are continually challenged and given opportunities to grow as professionals, and with tools and resources to innovate.

As of June 30, 2020, we had 416 active clients, which we define as clients who paid us for services over the preceding 12-month period. We have achieved significant growth in recent periods. For the fiscal years ended June 30, 2020, 2019 and 2018, our revenue was £351.0 million, £287.9 million and £217.6 million, respectively, representing a compound annual growth rate of 27.0% over the three year period. We generated 44.3%, 45.0% and 45.3% of our revenue for the three fiscal years ended June 30, 2020, 2019 and 2018, respectively, from clients located in the United Kingdom; we generated 24.5%, 27.5% and 33.7%, of our revenue in each of those fiscal years, respectively, from clients located in Europe; we generated 2.7% of our revenue for the fiscal year ended June 30, 2020 from clients located in Rest of World (RoW), while in the fiscal years ending June 30, 2019 and 2018 the revenue generated from RoW was immaterial; and we generated 28.5% , 27.5%, 21.0% of our revenue for the fiscal years ended June 30, 2020, 2019 and 2018 from clients located in North America. Our revenue growth rate at constant currency, which is a measure that is not calculated and presented in accordance with IFRS, for the fiscal years ended June 30, 2020, 2019 and 2018 was 21.0%, 31.1% and 37.2%, respectively. Over the last five fiscal years, 89.4% of our revenue, on average, each fiscal year came from clients who purchased services from us during the prior fiscal year. Our profit before taxes was £25.3 million, £30.1 million and £24.7 million, for the fiscal years ended June 30, 2020, 2019 and 2018, respectively, and our profit before taxes as a percentage of revenue was 7.2%, 10.5% and 11.3%, respectively, for the same periods. Our adjusted profit before taxes margin, or Adjusted PBT Margin, which is a measure that is not calculated and presented in accordance with IFRS, was 19.5%, 18.0% and 15.4%, respectively, for the fiscal years ended June 30, 2020, 2019 and 2018. See notes 1 and 6 in the section of this Annual Report on Form 20-F titled "Selected Financial Data – Non-IFRS Measures and Other Management Metrics" for a reconciliation of revenue growth rate at constant currency revenue growth rate and for a reconciliation of Adjusted PBT to profit before taxes, respectively, the most directly comparable financial measures calculated and presented in accordance with IFRS.

Industry Background

Overview

Waves of technological change are disrupting the nature of competition in every industry. New technologies have enabled the growth and success of digital native companies that leverage these technologies in every aspect of their businesses, allowing them to be nimble, innovative, data driven and focused on the user experience, often through an Agile development approach. Technology has also increased customer expectations, giving them the ability to choose not only the products and services that they want, but also where, when and how they want them delivered. Incumbent enterprises must undertake digital transformation of their businesses by leveraging technology in order to meet ever-evolving customer expectations and compete with digital native disruptors.

Significant Technology Innovation

Technology has gone through significant evolution in the last decade and this trend is expected to continue. The use of mobile connectivity, social media, automation, big data analytics and cloud delivery have become integral to business execution and emerging trends and technologies, including IoT, artificial intelligence, machine learning, augmented reality, virtual reality and blockchain, hold the potential to significantly reshape industries. Because each new generation of technology builds on and advances the technology that came before it, the pace of technological innovation will continue to accelerate, increasing the pace at which enterprises will need to transform.

Empowered Customers and Users

The proliferation of new technologies has empowered customers and users across industries and increased their expectations. These technologies have allowed customers and users to have more information and more choices, thereby changing how they interact with enterprises and their products and services. Other users, such as employees, are bringing these same expectations to the workplace. Empowered customers and users are increasingly discerning and their preferences keep changing as technology evolves. As a result, for enterprises, continually transforming their interactions with all constituencies has become a competitive imperative.

Rise of the Digital Natives

These significant technological changes have enabled the emergence of digital native companies. These companies leverage emerging technologies in every aspect of their businesses and are nimble and innovative, data driven and focused on the user experience. Digital native companies are not encumbered by legacy technology. Over the past decade, they have revolutionized the way technology is used across all functions in an organization, how technology infrastructure is built and maintained and how technology solutions are developed, deployed and continually improved.

Increasing Adoption of the Agile Approach

Due to the influence of digital native companies, the adoption of Agile development across industries has become pervasive. Agile is an iterative and incremental methodology for development where requirements and solutions evolve through collaboration between cross-functional teams. Agile is user driven and focused on continuous delivery of small upgrades, facilitating highly differentiated speeds of innovation and time to market.

Challenges to Transformation

Incumbent enterprises must undertake digital transformation of their businesses by leveraging technology in order to meet ever-evolving customer expectations and compete with digital native disruptors. There are several challenges incumbent enterprises face in achieving technological transformation:

Significant Investment in Legacy Technology

For most incumbent enterprises, reorienting IT operations with new technology is expensive, time-consuming and risks service disruption. Incumbent enterprises are often laden with legacy infrastructure and applications that are difficult and expensive to operate and maintain. They cannot switch off and move away from legacy technology infrastructure investments as the legacy infrastructure is often deeply embedded in the core transactional systems that

drive revenue. Incumbent enterprises must find ways to reconcile maintenance of existing infrastructure and applications with a nimble approach to using next-generation technologies.

Barriers to Innovation

Incumbent enterprises are fundamentally built to do what they are already doing and can struggle with innovation. They are often characterized by ingrained processes and cultural norms that do not encourage strategic shifts, with decision makers isolated from the economic consequences of choices. These institutional constraints can impede incumbent enterprises' ability to solve complex problems and rapidly respond to shifting competitive dynamics. Incumbent enterprises need to learn to "build many" and "fail fast" in order to efficiently allocate resources and optimize their opportunities for success.

Not Built for Agile

Incumbent enterprises must adopt new technologies and rapidly execute on initiatives in order to remain competitive, but are often stymied by ingrained traditional approaches to development. The Agile methodology stands in stark contrast to the IT-department-driven, legacy approach often used by incumbent enterprises, which is premised on a sequential and siloed structure, involves long development cycles, fails to integrate user feedback and is often more costly.

Lack of Required Expertise and Talent

The modern competitive environment requires incumbent enterprises to deliver experiences to customers and users that are intuitive and unobtrusive. This, in turn, requires connectivity across channels of customer and user interaction and successfully harnessing next-generation technology. Internal IT teams at incumbent enterprises often struggle to absorb the rapid pace of technology development and its growing complexity. Incumbent enterprises need user experience strategy and design capability, as well as technology and engineering expertise, to develop effective and frictionless user experiences. Developing this capability and expertise requires the acquisition and retention of talent in ideation, strategy, user experience, Agile development and next-generation technologies. However, the market for employees with expertise in these areas is highly competitive.

Limitations of Traditional IT Service Providers

Incumbent enterprises have historically looked to traditional IT service providers to undertake technology development projects. Traditional IT service providers are built for commoditized development, integration and maintenance engagements, where cost is key. They can deliver on large-scale projects using scaled, cost-effective infrastructure and are generally expert in legacy systems. While some of these traditional IT service providers have invested in capabilities to provide user experience strategy and design, as well as Agile development capabilities, they were built to serve, and remain focused on serving, legacy systems using offshore delivery.

Our Opportunity

According to IDC, the worldwide market for digital transformation services is expected to grow at a compound annual growth rate of of 15.3% through 2023, from $451 billion in 2019. IDC defines digital transformation as the continuous process by which enterprises adapt to or drive disruptive changes in their customers and markets by leveraging digital competencies to innovate new business models, products and services that seamlessly blend digital and physical and business and customer experiences while improving operational efficiencies and organizational performance. Broadly, our target market is defined within categories, identified by IDC, of spending as business services, IT services, Infrastructure-as-a-Service, applications, application development and deployment, personal devices, system infrastructure software and other next-generation software, services, and materials, such as augmented reality, virtual reality, IoT, 3D printing, next-generation security and robotics.

The Endava Approach

We are a leading next-generation technology services provider and help accelerate disruption by delivering rapid evolution to enterprises. We aid our clients in finding new ways to interact with their customers and users, enabling them to become more engaging, responsive and efficient. Using Distributed Enterprise Agile at scale, we collaborate with our clients, seamlessly integrating with their teams, catalyzing ideation and delivering robust solutions. Our approach to ideation comprises an empathy for user needs, curiosity, creativity and a deep understanding of technologies. From proof of concept, to prototype, to production, we use our engineering expertise to deliver enterprise platforms capable of handling millions of transactions per day. Our people synthesize creativity, technology and delivery at scale in multi-disciplinary teams, enabling us to support our clients from ideation to production. We offer our clients capabilities in four key areas, which we refer to as: Define, Design, Build and Run & Evolve. The multiplicative impact of different combinations of these capabilities across the delivery of strategies, experiences, and engineering allows us rapidly to create real transformation for our clients.

Our Competitive Strengths

We have distinguished ourselves as a leader in next-generation technology services by leveraging the following competitive strengths:

Ideation through Production

We help our clients become digital, experience-driven businesses by assisting them in their journey from idea generation to development and deployment of products, platforms and solutions. By providing user-centric digital strategies and engineering skills, we enable our clients to become more engaging, responsive and efficient in delivering products and services to their customers and users. We collaborate with our clients, understand their changing technology needs and seamlessly integrate with their teams to develop long-term embedded relationships and drive value. Our expertise spans the entire ideation-to-production spectrum. We create value for our clients through creation of Product and Technology Strategies, Intelligent Digital Experiences, and World Class Engineering, delivered through our 24 capabilities, grouped into four key areas: Define, Design, Build and Run & Evolve.

Proprietary Framework for Distributed Enterprise Agile at Scale

To allow us to deliver Distributed Enterprise Agile at scale, we have developed a proprietary Agile scaling framework, TEAS. Traditional Agile development methodologies have constraints that prevent them from scaling in a truly industrialized way without sacrificing agility. TEAS utilizes common Agile scaling frameworks, but enhances them by balancing the requirements of delivering both quality and speed-to-market. With TEAS, we seek to provide enough guidance to allow teams to start tackling client challenges with confidence, while building in flexibility to adapt to evolving client needs, environments and cultures. TEAS enables us to scale across the spectrum from ideation to production by having product level planning for a group of releases, portfolio level planning for a group of products and an overarching strategy to guide the development of the portfolio. As a result, our teams are able to quickly design, develop and test digital solutions, providing actionable insights into their value and business potential in a short timeframe, while our clients are able to release higher-quality products to market faster, respond better to market changes and incorporate customer and user feedback through rapid releases and product iterations. We believe our dynamic approach to Distributed Enterprise Agile at scale delivers tangible and valuable benefits for our clients.

Expertise in Next-Generation Technologies

We have deep expertise in next-generation technologies that drives our ability to provide solutions for Digital Evolution, Agile Transformation and Automation. Our expertise ranges from technologies developed over the last decade including mobile connectivity, social media, automation, big data analytics and cloud delivery to next-generation technologies such as IoT, artificial intelligence, machine learning, augmented reality, virtual reality and blockchain. Our frameworks, methodologies and tools, including TEAS and our proprietary Chronos software analysis tool for risk assessment of software codes, further enhance our ability to develop and deploy solutions based on these next-generation technologies. For example, we leveraged our expertise in augmented reality to conceive and build a solution that helps customers of a mobile communications company visualize areas where they can obtain network coverage.

We believe that technology will continue to evolve and that enterprises must continue to evolve their service offerings in order to thrive in such a dynamic environment. Our company-wide initiatives such as Endava Labs, our innovation think tank, and our Digital Experience Council, our cross-functional, monthly digital exploration session, illustrate the innovative culture important for us to maintain our strong expertise in next-generation technologies. We continue to advance our service offerings and solutions areas to remain at the cutting edge of technological developments.

Strong Domain Expertise

We have deep expertise in industry verticals that are being disrupted by technological change. In the Payments and Financial Services vertical, we have helped accelerate the transformation of leading banks and payment processing companies by building new platforms and solutions such as merchant acquiring platforms, cloud-based payment processing platforms, mobile wallets, downloadable Point-of-Sale, or POS, mobile terminals, Smart POS terminals, real-time payments systems, omni-channel e-commerce gateways and merchant portals with real-time payments analytics. In the Technology, Media and Telecommunications, or TMT, vertical, we have helped clients design and build solutions for the connected home and car, to enhance multi-channel customer experiences and to automate processes, including developing an automated solution to facilitate the purchase of television advertising in the United States.

Employer of Choice in Regions with Deep Pools of Talent

We strive to be one of the leading employers of IT professionals in the regions in which we operate. We provide services from our nearshore delivery centers, located in two European Union countries (Romania and Bulgaria), three other Central European countries (Moldova, North Macedonia and Serbia), and four countries in Latin America (Argentina, Colombia, Uruguay and Venezuela). We have close-to-client offices in five Western European countries (Denmark, Germany, Ireland, the Netherlands and the United Kingdom), and in the United States. As part of our acquisition of CDS on August 17, 2020, we acquired new nearshore delivery centers in Bosnia and Herzegovina and Slovenia, an additional delivery center in Serbia and additional close-to-client offices in Germany, Ireland and the United States, as well as, a sales office in Austria. We locate our nearshore delivery centers in countries that not only have abundant IT talent pools, but also offer us an opportunity to be a preferred employer. As of June 30, 2020, we had 6,624 employees (including directors), approximately 50.8% of whom work in nearshore delivery centers in European Union countries. We locate our nearshore delivery centers in countries that not only have abundant IT talent pools, but also offer us an opportunity to be a preferred employer. For example, a majority of our employees are located in Romania, where we have been identified as a top employer for each of the last five years.

Distinctive Culture and Values

We believe that our people are our most important asset. We provide Endavans with training to develop their technical and soft skills, in an environment where they are continually challenged and given opportunities to grow as professionals, and with tools and resources to innovate. Endava University and “Pass It On” are key elements of our training and development framework. Endava University provides classroom based training and “Pass It On” uses apprenticeship and open sharing so that our people can grow by way of collective experiences and knowledge. Our employees also have career coaches to customize their integration into their respective teams and to help visualize their development and future. Through Endava Labs and regular hackathons, our teams are encouraged to express their creativity in using next-generation technologies to build innovative solutions. We believe that we have built an organization deeply committed to helping people succeed and that our culture fosters our core values of openness, thoughtfulness and adaptability.

Founder Led, Experienced and Motivated Management Team.

Our management team, led by John Cotterell, our founder and chief executive officer, has significant experience in the global technology and services industries. Since our founding in 2000, we have expanded from a single office serving clients principally located in the city of London to a global enterprise serving clients across Europe and North America from nearshore delivery centers located in Central Europe and Latin America. We believe that we have a strong partnership culture. Our most senior 63 employees have an average tenure at Endava of 10 years, which we believe evidences the success of our approach. Additionally, our management team focuses on mentoring our IT professionals at all levels to develop the next generation of leadership.

Our Strategy

We are focused on continuing to distinguish ourselves as a leader in next-generation technology services. The key elements of our strategy include:

Expand Relationships with Existing Clients

We are focused on continuing to expand our relationships with existing clients by helping them solve new problems and become more engaging, responsive and efficient. We have a demonstrated track record of expanding our work with clients after an initial engagement. Our ten largest clients together contributed 38.1% and 37.7% of our total revenue in the last two fiscal years, respectively, and the number of clients that have a minimum annual spend of at least £1.0 million has grown from 63 to 65 over the same time period. Expansion of our relationships with existing active clients will remain a key strategy going forward as we continue to leverage our deep domain expertise and knowledge of emerging technology trends in order to drive incremental growth for our business.

Establish New Client Relationships

We believe that we have a significant opportunity to add new clients. We have established ourselves as a leader in delivering end-to-end ideation-to-production services in the Financial Services and Payments and TMT verticals. Clients in the Payments and Financial Services vertical contributed to 52.8%, 52.9% and 56.8% of our total revenue in the 2020, 2019 and 2018 fiscal years, respectively. Clients in the TMT vertical contributed 25.7%, 27.4% and 28.1%, of our total revenue in the 2020, 2019 and 2018 fiscal years, respectively. Clients in our Other vertical contributed 21.5%, 19.7% and 15.1%, of our total revenue in the 2020, 2019 and 2018 fiscal years, respectively. We believe that we continue to have a significant untapped opportunity in these sectors and we plan to leverage this experience to expand our vertical reach. As waves of technological change sweep across industries and increasingly facilitate seamless integration of different aspects of customers and users lives, we believe our experience working within our core client base will also be of particular value in expanding our vertical reach. For example, as customers increasingly demand a frictionless and consistent buying experience and the payments and retail sectors converge, we believe our deep expertise in developing payment systems and e-commerce platforms will allow us to grow our base of retail clients. Similarly, we believe that our expertise in data analytics and augmented and virtual reality will be increasingly relevant in the healthcare industry as technology continues to reshape the practice and provision of medicine. We are also focused on the consumer products, logistics and professional services verticals as key areas for potential growth.

We are likewise focused on geographic expansion, particularly in North America. In the 2020 fiscal year, approximately 28.5% of our revenue came from clients in North America. With our acquisition of Velocity Partners, we increased our sales presence in the United States and added nearshore delivery capacity in Latin America, which we believe will allow us to further penetrate the North American market. In addition, we plan to evaluate other growth markets, including countries in the Asia Pacific region, to expand our client footprint.

Lead Adoption of Next-Generation Technologies

We seek to apply our creative skills and deep digital technical engineering capabilities to enhance our clients' value to their end customers and users. As a result, we are highly focused on remaining at the forefront of emerging technology trends, including in areas such as IoT, artificial intelligence, machine learning, augmented reality, virtual reality and blockchain. For example, we have developed next-generation technology solutions such as blockchain payment gateways and chatbot-enabled social payments. We are embedded and integrated with our clients, which gives us unique insight into how emerging industry trends can help address their needs. We plan to leverage these insights to continue innovating for our clients.

Expand Scale in Nearshore Delivery

We believe that our proprietary Distributed Enterprise Agile at scale framework requires that we have teams based in locations with similar time zones to those of our clients since our delivery teams are in constant dialogue and interaction with our clients. We focus on being an employer of choice for IT professionals in the regions in which we operate, which include countries with deep and largely untapped creative and engineering talent pools, and on being an employer of choice in local markets. As we continue to expand our relationships with existing clients and attract

new clients, we plan to expand our teams at existing delivery centers and open new delivery centers in nearshore locations with an abundance of technical talent.

Selectively Pursue "Tuck-In" Acquisitions

We plan to selectively pursue "tuck-in" acquisitions. Our focus is on augmenting our core capabilities to enhance our expertise in new technologies and verticals and increase our geographic reach, while preserving our corporate culture and sustainably managing our growth. Consistent with these goals, we have completed six acquisitions in the past five fiscal years, all of which have enabled us to accelerate core strategic goals. For example, our acquisition of CDS in 2020 increased our nearshore delivery centers in the Adriatic region and our client base in Europe. Our acquisition of Exozet in December 2019 increased our close-to-client German speaking talent and expanded our credentials in immersive experiences, media management and the automotive and broadcasting sectors. Our acquisition of Intuitus in November 2019 strengthened our digital due diligence and other technology advisory services to private equity clients. Our acquisition of Velocity Partners in 2017 increased our North American client base and added nearshore delivery centers in Latin America.

We have a demonstrated track record of successfully identifying, acquiring and integrating complementary business and plan to leverage this experience as we pursue "tuck-in" acquisitions that help accelerate our strategy.

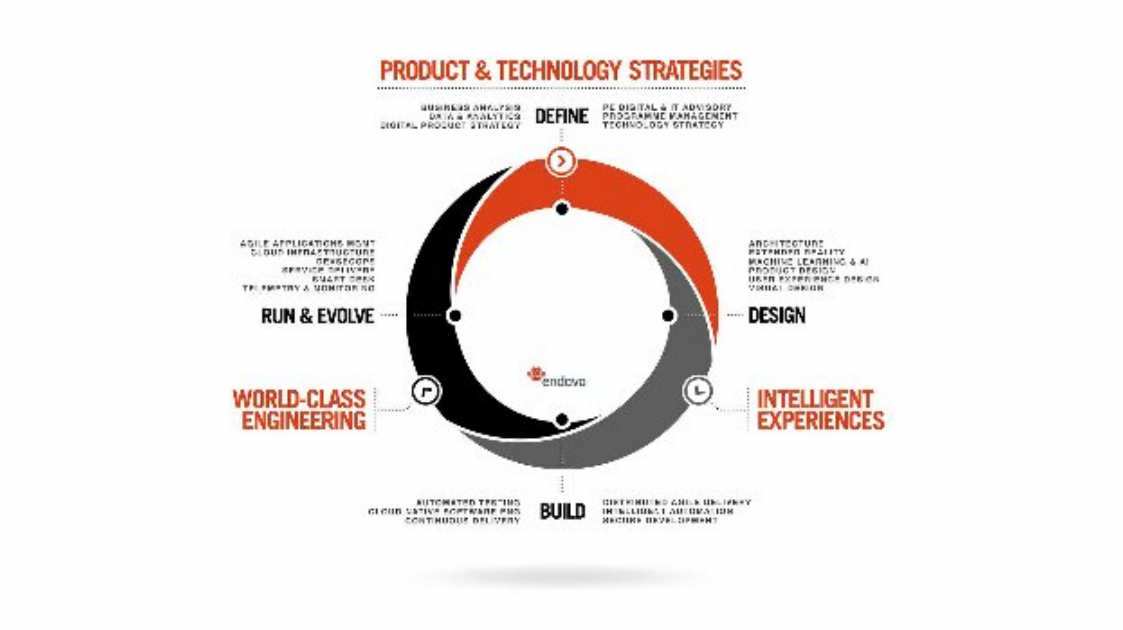
Our Capabilities

We reimagine the relationship between people and technology.

We accelerate our clients' ability to take advantage of new business models and market opportunities by ideating and delivering dynamic platforms and intelligent digital experiences that are designed to fuel rapid, ongoing transformation of their businesses.

By leveraging next-generation technologies, our agile, multi-disciplinary teams provide a combination of Product & Technology Strategies, Intelligent Experiences and World-Class Engineering to help our clients become more engaging, responsive, and efficient.

We offer our clients capabilities in four key areas, as depicted below. The multiplicative impact of different combinations of these capabilities across the delivery of strategies, experiences and engineering, allows us rapidly to create real transformation for our clients.



DEFINE

Private Equity and Corporate Transaction Advisory

The constantly evolving technology landscape means that both private equity and corporate buyers need to understand if the technology operations of the company being acquired are capable of enabling the buyer's investment thesis. The Endava Private Equity Group, or PEG, provides technology and digital advisory services in all sectors including Financial Services, Healthcare, Manufacturing, Retail and Consumer, Business and Support Services, and TMT, supporting the full transaction lifecycle.

Technology Strategy

The Endava Technology Strategy capability provides expertise and deep experience in helping clients with complex decision-making process through thorough diagnosis and delivery of executable IT strategies.

Business Analysis

Business Analysis is a dedicated discipline within the Endava organization. We support complex projects by acting as the mediator between the business and the technology teams. We distinguish ourselves through an understanding of our clients' domains. We have business domain expertise in Payments, Financial Services, Asset and Wealth Management, Insurance, Telecommunications, and Digital Media.

Program Management

We help our clients achieve transformational change by providing expertise in structuring and executing successful change programs and end-to-end delivery throughout the transformation lifecycle. We work with our clients to create the right environment for change, including effective sponsorship, governance and agile ways of working.

Digital Product Strategy

Our Digital Product Strategy services help clients turn their early ideas and business challenges into prototypes and market-ready products. Our objective is to ensure that we are always building the right product, focusing our efforts

on capabilities that create the maximum value for the business and the best experience for their users. We help clients with their market positioning and differentiation.

Data & Analytics

We assist organizations in identifying, defining, and embedding the collaborative Data and Analytics that enhance both their productivity and profitability through the power of traditional Business Intelligence, Data Warehousing, Big Data platforms, Analytics and Visualization, or implementation of Data Governance underpinned by Data Strategy.

DESIGN

Architecture

Technology systems must rapidly modernize and evolve to meet these challenges, and architecture is a key enabler to accomplish this by achieving alignment, simplification, and key qualities such as security, scalability, and resilience.

Extended Reality

Extended Reality (XR) covers the spectrum of spatial media from Virtual Reality (VR) to Augmented Reality (AR). Understanding the power of fully immersive interactions, we leverage our expertise in experience design, human factors engineering, advanced 3D technology platforms, and integrations with input and visualization hardware to conceive, design, build, and deliver both the virtual and augmented experiences of the future.

Machine Learning & Artificial Intelligence

Machine Learning & Artificial Intelligence are an emerging strategic area for Endava. In the last several years, Endava has enhanced its capability through Internal Data Lab & R&D exercises, prototypes and POC development. We have applied our expertise in a variety of domains such as healthcare, banking, payments processing, and private equity.

Product Design

At its core, Product Design at Endava translates established product strategies into their requisite design components to create innovative customer experiences and new business capabilities.

User Experience Design

Endava believes in a user-centered approach, which demands continuous user research, interviews, prototyping, testing, and iteration to understand and empathize with users throughout their journeys properly. Beyond the product launch, we believe a regular cadence of measuring, hypothesizing, designing, and deploying to improve KPIs continuously adds value to our clients.

Visual Design

We use visual design to create meaningful experiences. We use building blocks, such as symbols, typography, color scheme, iconography, illustration style, visuals, animations, motion design, photography style, sound design, messaging, and tone of voice, to execute on complex objectives through imagery, film, 3D graphics, and language.

BUILD

Automated Testing

Endava uses agile techniques to include test automation as a standard part of development. We integrate test automation and performance frameworks into the continuous integration/continuous delivery pipeline, so that tests are executed as soon as there is a code drop, providing immediate feedback, reducing project delays, and improving time to market.

Cloud Native Software Engineering

We can deliver data platforms, real-time or batch data lakes, and enterprise reporting solutions, or use native machine learning on all major cloud providers, as we are technology-agnostic and offer guidance for choosing the right technology stack depending on the client's business objectives.

Continuous Delivery

Some of the areas we continuously improve include architecting for continuous delivery and automating almost anything, including pipelines with automatic quality gates, deploys, configuration, data migration, automation testing at the right level, infrastructure, and monitoring.

Distributed Agile Delivery

Endava has been successfully delivering large agile development projects for many years, Distributed Agile Delivery refers to the service through which we do scale agile development with scrum teams that are distributed in several locations, sometimes including client teams.

Collaboration technology such as distributed source code management, continuous integration, continuous delivery tools, wikis, video conferencing, and chat platforms all help our high-performance distributed teams be more effective.

Intelligent Automation

We are delivering Intelligent Automation, employing both more traditional techniques like robotic process automation and cutting-edge ones centered around cognitive computing elements like machine learning, natural language understanding and processing and computer vision.

Secure Development

We build security thinking into our secure development lifecycle by investing in our people, tools, and processes, so that these systems are secure by design. This involves cultivating a security-oriented mindset in all team members and ensuring security awareness and focus throughout the software development lifecycle, additionally integrating this thinking with DevOps ways of working to deliver practical DevSecOps where appropriate.

RUN & EVOLVE

Agile Applications Management

This capability focuses on optimizing and improving the value of our client's application estate by mitigating risk and increasing quality and reliability of their applications by keeping the client’s estate up to the latest market standards and enhancing it with new features. We help our clients run their businesses by improving agility, driving continuous improvement and reducing time to market.

Cloud Infrastructure

Our capabilities include cloud migrations and hybrid solutions, and we support our customers in all stages of migration and adoption, from defining business goals and strategy through discovery and delivery into managed cloud operations.

DevSecOps

Complementing Endava’s commitment to an Agile delivery, our teams also adopt a DevOps approach to continuous and cross-functional collaboration between Development and Operations specialists.

Service Delivery

Operational IT ecosystems require services to be designed in a way that enables them to adapt and scale to business demands while meeting assurances and reliability expectations. We do this by understanding the service needs and

interactions of the operational teams and recommending and managing industry best practice standards, policies, tools and grades of service.

Smart Desk

The purpose of the Endava Smart Desk is to provide a single point of contact, or SPOC, to all end users through a unified communications hub that ensures appropriate support in a timely manner. This includes the coordination of all End User Services, third parties and internal support teams for an excellent customer experience and seamless collaboration between all customer suppliers.

Telemetry & Monitoring

The purpose of IT infrastructure and application monitoring is to actively diagnose performance and accessibility problems across the entire infrastructure before an outage occurs.

Our Frameworks, Methods and Tools

Our frameworks, methods and tools, including TEAS, enhance our ability to develop and deploy solutions based on next-generation technologies. Developed with a focus on providing innovation, quality and productivity at scale, we believe our frameworks, methods and tools allow us to:

- Deliver outcome driven programs to our clients, with faster time-to-market and favorable return on investment;
- Tailor our approach to the needs of our clients and respond flexibly to changing client objectives and market conditions;
- Improve our clients visibility into budgets, status and progress of technology projects; and
- Provide better solutions.

Our key frameworks, methods and tools include the following:

The Endava Agile Scaling Framework (TEAS)

To allow us to deliver Distributed Enterprise Agile at scale, we have developed a proprietary Agile scaling framework, TEAS. Traditional Agile development methodologies use small multi-disciplinary “scrum teams,” with members in close proximity. However, today most enterprise development projects require large development teams that are often geographically or organizationally dispersed. Collaboration, communication and oversight can break down, making it difficult to scale Agile development methodologies. Further, commonly used Agile scaling frameworks are generally either overly prescriptive, thereby compromising agility, or overly informal, thereby compromising effective oversight.

TEAS utilizes common Agile scaling frameworks, but enhances them by balancing the requirements of delivering both quality and speed-to-market. With TEAS, we seek to provide enough guidance to allow teams to start tackling client challenges with confidence, while building in flexibility to adapt to evolving client needs, environments and cultures. Each of our scrum teams typically consists of six to eight team members with the appropriate mix of technical ability, leadership and project management skills, domain expertise, creative and user experience capabilities and software development and quality assurance expertise. For larger and more complex projects, we employ a “scrum-of-scrums” approach, which is led by representatives from each scrum team, and facilitates an incremental level of collaboration across scrum teams. TEAS enables us to move beyond team-level Agile working to scale product-level planning for a group of releases, portfolio-level planning for a group of products and an overarching strategy to guide the development of the portfolio.

TEAS enables us to provide Distributed Enterprise Agile at scale with the same focus on communication, collaboration and iterative releases that makes smaller-scale Agile development effective. With TEAS, our teams are able to quickly design, develop and test digital solutions, providing actionable insights into their value and business potential in a short timeframe. Our clients are able to release higher-quality products to market faster, respond better to market changes and incorporate customer and user feedback through rapid releases and product iterations. We believe

that our TEAS framework is enhanced through advanced software engineering practices involving multi-skilled teams able to employ Development Operations, or DevOps, techniques, such as automated testing, continuous integration, continuous delivery and infrastructure automation.

Chronos

Chronos is our proprietary software analysis tool for risk assessment of software codes. It detects "anti-patterns" in the evolution of a project's codebase and the behaviors of the team who developed it. "Anti-patterns" are common practices that initially appear to be appropriate solutions, but end up having negative consequences that outweigh any benefits. Chronos supports both quality and productivity improvement by providing deep insight into the evolution of a large codebase. It does so by analyzing the codebase stored in version control systems (Git and SVN) in regards to who changed what, why and when to identify and reverse negative trends in development team behavior.

Chronos offers several benefits to our employees as well as our clients. It allows our clients to identify areas in the code that are higher risk or attract more defects than other areas, giving them an integrated, balanced, holistic view of the risks in, and quality of, their codebase. Chronos also helps new team members get up to speed with a new project quickly. It helps managers oversee risks and proactively ensure skills are balanced effectively across scrum teams. It can increase the value and productivity of due diligence and technical reviews by providing information on the technologies and their evolution, on key people involved with the project and on code and process quality issues.

Testing Toolbox

One of the key challenges associated with rapid technology development is the need to have rigorous, fast and frequent testing, which can only be achieved through high levels of automation. This is particularly challenging when building test automation for Distributed Enterprise Agile at scale and DevOps, where test frameworks need to be light, flexible and easily integrated into the build pipeline. We have developed our testing toolbox in order to enable fast and efficient test execution. Our testing toolbox accelerates the provision of lean automation solutions and contains accelerators for testing web and cross browsers, application programming interfaces, services and microservices, mobile devices, security, accessibility and performance. The testing toolbox helps us reduce the time to implement test automation solutions and allows us the flexibility to extend frameworks in-sprint, without relying on a test tool vendor.

Two key testing automation solutions are part of our testing toolbox: Ensec and our Mobile Testing Framework. EnSec is our security testing accelerator that can be deployed in minutes, either on a stand-alone basis or within the development pipeline, and automatically checks applications for the Open Web Application Security Project vulnerabilities. Our Mobile Testing Framework automates testing of mobile phones and devices hosted in our delivery units and in the cloud. This framework enables multiple devices to be tested in parallel, thereby removing the need for manual regression testing and reducing the time and effort required.

CSAT

Customer Satisfaction Analysis Tool, or CSAT, is our client management tool, which allows us to collect regular client feedback. CSAT relies on surveys, common use testimonials, continuous service improvement monitoring and the collection of social media mentions to gather a robust view of how clients feel about Endava and how we respond to their feedback. CSAT helps us differentiate ourselves in managing customers in a sustainable way.

Our Delivery Model

We believe the development of a scaled global, nearshore delivery model with selective close-to-client capabilities enables us to deliver higher-quality technology services to meet our clients' needs. Nearshore delivery locations with geographic proximity, cultural affinity and complementary time zones enable increased interaction with our clients, enhance relationships and improve responsiveness for more efficient delivery of our services. As a result, we are able to differentiate ourselves on projects that require a high degree of client collaboration and iteration.

We provide services out of nearshore delivery centers located in two European Union countries (Romania and Bulgaria), three other Central European countries (Moldova, North Macedonia and Serbia), and four countries in Latin America (Argentina, Colombia, Uruguay and Venezuela). We have close-to-client offices in five Western European countries (Denmark, Germany, Ireland, the Netherlands and the United Kingdom) and the United States. As part of our

acquisition of CDS on August 17, 2020, we acquired new nearshore delivery centers in Bosnia and Herzegovina and Slovenia, an additional delivery center in Serbia and additional close-to-client offices in Germany, Ireland and the United States, as well as, a sales office in Austria. We locate our nearshore delivery centers in countries that not only have abundant IT talent pools, but also offer us an opportunity to be a preferred employer. As of June 30, 2020, we had 6,624 employees (including directors), approximately 50.8% of whom work in nearshore delivery centers in European Union countries.

Our nearshore delivery model was first established in Central Europe in order to efficiently deliver our solutions to European clients. Our primary delivery centers are located in Romania, where we employed approximately 2,830 employees involved with delivery of our services as of June 30, 2020. As of June 30, 2020, we had 1,048 such employees located in Cluj-Napoca, the second largest city in Romania and 869 such employees located in Bucharest, the capital of Romania. We believe Romania is an ideal location to source IT delivery talent due to its educational infrastructure, large multi-lingual population, advanced technological infrastructure and flexible labor regulation. According to Eurostat, Romania had the highest share of engineers in the European Union in 2014. According to the June 2012 Eurobarometer report, approximately 31% of Romania's population speaks English. As of June 30, 2020, we also had approximately 1,939 IT professionals across our locations in Bulgaria, North Macedonia, Moldova and Serbia, which are countries that we believe offer many of the same benefits as Romania. To serve our North American clients, we had approximately 823 employees involved with delivery of our services across our seven Latin American delivery centers as of June 30, 2020, the majority of which are located in Argentina (328 employees) and Colombia (398 employees). We believe that the Latin American region as a whole has an abundant talent pool of individuals skilled in IT.

Employees at our close-to-client locations include our sales teams, as well as account management and other client-facing employees, which helps maintain quality and consistency in collaboration with our nearshore delivery teams.

In addition, we are highly focused on the security of our clients' data and are certified to ISO 27001 standards.

Our Clients

As of June 30, 2020 we had 416 active clients, which we define as clients who spent money with us over the preceding 12-month period. Our clients are primarily enterprises based in the United Kingdom, European Union and United States. Our clients principally operate in the Financial Services and Payments and Technology, Media and Telecommunications verticals. We are also focused on growing our client base in other verticals, such as the consumer products, healthcare, logistics and retail verticals.

During the fiscal years ended June 30, 2020, 2019 and 2018, our 10 largest clients based on revenue accounted for 38.1%, 37.7% and 41.5%, of total revenue, respectively. Our largest client for the fiscal years ended June 30, 2020, 2019 and 2018, Worldpay (UK) Limited, or, together with Worldpay Group Limited and its consolidated subsidiaries, Worldpay, accounted for 10.8% of our revenue in the fiscal year ended June 30, 2018 and less than 10% of our revenue in each of the years ended June 30, 2020 and 2019.

We are focused on building deep, long-term relationships with our clients, which often begin with a discrete project and develop into larger engagements. We target clients to whom we believe we can demonstrate our deep understanding of technological trends and our capability to provide end-to-end ideation-to-production services.

Some of our representative clients by vertical include Beazley, Rabobank, RSA, Jupiter, Pollinate and Worldpay in Payment & Financial Services; Adobe, Backbase, Poly in Technology, Media and Telecommunications; and Maersk and BBC in Other.

Sales and Marketing

Our sales and marketing strategy is focused on driving revenue growth from existing and new clients. We run a single, highly integrated sales and marketing organization that comprises strategy, solutions and offers, marketing, lead generation, sales and account teams. As of June 30, 2020, we had 104 employees on our sales and marketing team located across our offices.

We have developed our Endava Sales Academy to cultivate sales talent internally and create a high-performing sales workforce that is culturally aligned with our values. Our Sales Academy begins with candidates joining lead generation teams, where they learn how to identify potential clients and sales techniques. Over the course of approximately three years, candidates progress through this program and can become business development managers.

We announced a strategic partnership with Bain & Company on October 11, 2018. The Bain-Endava partnership brings together deep skills in business and technology strategy, product ideation, technology development and deployment, and organizational change management to help support clients through successful transformations. As an indication of commitment to the partnership, Bain & Company has taken an ownership stake in Endava via our July 2018 initial public offering.

We announced the launch of an Integrated IT Due Diligence Product with Bain & Company in November 2019. With this extended and flexible IT due diligence offering, we address three core areas of current market need: a solid IT and Core technology assessment, a future-back assessment of digital readiness and a robust assessment of the value creation plan through the tech enablers.

We have received various awards, including being:

- the recipient of the ANIS Project of the Year award in 2020, along with Pollinate for cutting-edge, bank-grade digital solution which allows Banks to reimagine acquiring and value-added services for SMEs.
- A 5 Star "World Class" certification by the Service Desk Institute (SDI) in 2019.
- featured in the London Stock Exchange Group's 1000 Companies to Inspire Britain 2019 report, which celebrates the fastest-growing and most dynamic enterprises in the United Kingdom.
- winner of "Brand of the Year" award at the 5th edition of the annual Romanian Business Services Forum & Awards.
- winner of the "Outsourcing Project of the Year" with BT Pay - the first mobile wallet launched by a Romanian Bank, at the 2019 ANIS Gala
- recognized by the Best of the Global Outsourcing 100®, a celebratory list of the best companies in the last 10 years, presented by IAOP.
- recognized by the Financial Times Future 100 UK, list honoring fast growing British companies that are making an impact, either on society or their industry.
- ranked 22nd in the Sunday Times HSBC International Track 200;
- named as the Company of the Year at the 2018 ANIS Romania awards gala;
- ranked as one of the top 3 U.K. technical agencies in 2017, according to Econsultancy;
- ranked as one of the top 13 U.K. agencies in digital income in each of 2015, 2016 and 2017, according to Econsultancy;
- featured in the International Association of Outsourcing Professionals (IAOP) Global Outsourcing 100 lists in 2015 (Best Leaders in Employee Growth and Best Leaders in Revenue Growth), 2016 (Leaders Category for Top Company for Revenue and Employee Growth and for Programs for Innovation), 2017 (Leaders Category for Top Company for Programs for Innovation) and 2018 (Leaders Category for Top Company for Programs for Innovation and Awards and Certifications);
- recognized as employer of the year for outsourcing in Romania at the Romanian Outsourcing Awards for Excellence Gala in 2016;
- the winner, together with Worldpay Group PLC, of Software Outsourcing Project of the Year at the 2017 ANIS gala in Romania.

Competition

We operate in a global and dynamic market and compete with a variety of organizations that offer services similar to those that we offer.

We face competition primarily from:

- next-generation IT service providers, such as Globant S.A and EPAM Systems;
- digital agencies and consulting companies, such as McKinsey & Company, Ideo, The Omnicom Group, Sapient Corporation and WPP plc;
- global consulting and traditional IT service companies, such as Accenture PLC, Capgemini SE, Cognizant Technology Solutions Corporation and Tata Consultancy Services Limited; and
- in-house development departments of our clients.

We believe the principal competitive factors in our business include: ability to innovate; technical expertise and industry knowledge; end-to-end solution offerings; delivery location; price; reputation and track record for high-quality and on-time delivery of work; effective employee recruiting; training and retention; responsiveness to clients' business needs; scale; and financial stability. We believe that we compete favorably with respect to each of these factors.

Facilities

Our corporate headquarters are located at 125 Broad Street, London EC2N 1AR, United Kingdom, where we lease approximately 1,000 square meters of office space. We provide services from delivery centers located in Argentina, Bulgaria, Colombia, North Macedonia, Moldova, Romania, Serbia, Uruguay and Venezuela and have additional offices in Austria, Denmark, Germany, the Netherlands and the United States. We lease all of our facilities. We believe that our current facilities are suitable and adequate to meet our current needs and for the foreseeable future. Our delivery centers and offices as of June 30, 2020 are shown in the table below:

Location	Type/Use	Approximate Size(square meters)
Central Europe:		
Cluj, Romania	Delivery center	11,562
Bucharest, Romania	Delivery center	10,707
Chisinau, Moldova	Delivery center	10,607
Belgrade, Serbia	Delivery center	6,346
Iasi, Romania	Delivery center	5,901
Sofia, Bulgaria	Delivery center	4,461
Skopje, North Macedonia	Delivery center	3,189
Timisoara, Romania	Delivery center	1,426
Pitesti, Romania	Delivery center	851
Brasov, Romania	Delivery center	580
Targu Mures, Romania	Delivery center	573
Western and Northern Europe:		
Berlin, Germany	Office premises	2,035
London, United Kingdom	Office premises	1,033
Frankfurt, Germany	Office premises	551
Hilversum, Netherlands	Office premises	296
Edinburgh, United Kingdom	Office premises	286
Denmark, Copenhagen	Office premises	64
Vienna, Austria	Office premises	9
Latin America:		
Medellin, Colombia	Delivery center	5,909
Bogota, Colombia	Delivery center	3,815
Rosario, Argentina	Delivery center	1,939
Caracas, Venezuela	Delivery center	929
Rio Negro, Uruguay	Delivery center	563
Buenos Aires, Argentina	Delivery center	515
Colonia, Uruguay	Delivery center	452
Parana, Argentina	Delivery center	302
North America:		
New Jersey, USA	Office premises	749
New York, USA	Office premises	478
Washington, USA	Office premises	397
Texas, USA	Office premises	200
California, USA	Office premises	100

Our People

As of June 30, 2020, 2019 and 2018, we had 6,624, 5,754 and 4,819 employees (including directors), respectively. We have collective bargaining agreements with our employees in Romania. We believe our employee relations are good and we have not experienced any work stoppages. We vet our employees in accordance with the BS7858 screening standards.

At each date shown, we had the following employees (including directors), broken out by department and geography:

	As of June 30,		
	2020	2019	2018
Employees (including directors) by function:			
Employees Involved in Delivery of Our Services	5,969	5,197	4,368
Selling, General and Administrative	655	557	451
Total	**6,624**	**5,754**	**4,819**

Employees (including directors) by geography	Fiscal Year Ended June 30,		
	2020	2019	2018
Western Europe[(1)]	448	254	232
Central Europe - EU Countries	3,368	3,062	2,578
Sub-total: EU Countries (Western & Central Europe)	3,816	3,316	2,810
Central Europe - Non-EU Countries	1,810	1,583	1,279
Latin America	895	780	665
North America	103	75	65
Total	**6,624**	**5,754**	**4,819**

(1) The increase from 2019 to 2020 in Western Europe headcount includes 25 employees in the United Kingdom acquired in connection with our acquisition of Intuitus in November 2019 and 156 employees in Germany and Austria acquired in connection with our acquisition of Exozet in December 2019.

As a result of our acquisition of CDS on August 17, 2020 our headcount increased by 509 employees.

We believe that our people are our most important asset. We provide Endavans with training to develop their technical and soft skills, in an environment where they are continually challenged and given opportunities to grow as professionals, and with tools and resources to innovate. Endava University and “Pass It On” are key elements of our training and development framework. Endava University provides classroom-based training and “Pass It On” uses apprenticeship and open sharing so that our people can grow by way of collective experiences and knowledge. Our employees also have career coaches to customize their integration into their respective teams and to help visualize their development and future. Through Endava Labs and regular hackathons, our teams are encouraged to express their creativity in using next-generation technologies to build innovative solutions.

We strive to be one of the leading employers of IT professionals in the regions in which we operate. We locate our nearshore delivery centers in countries that not only have abundant IT talent pools, but also offer us an opportunity to be a preferred employer. For example, a majority of our employees are located in Romania, where we have been identified as a top employer for each of the last five years.

We also get involved in initiatives that address social issues and encourage knowledge-sharing beyond our organization in the communities in which we operate. We regularly sponsor technical events and speak at global technical and industry-focused conferences. Our largest initiative consists of internship and graduate programs. By supporting local education, we seek to inspire exploration in engineering and technology.

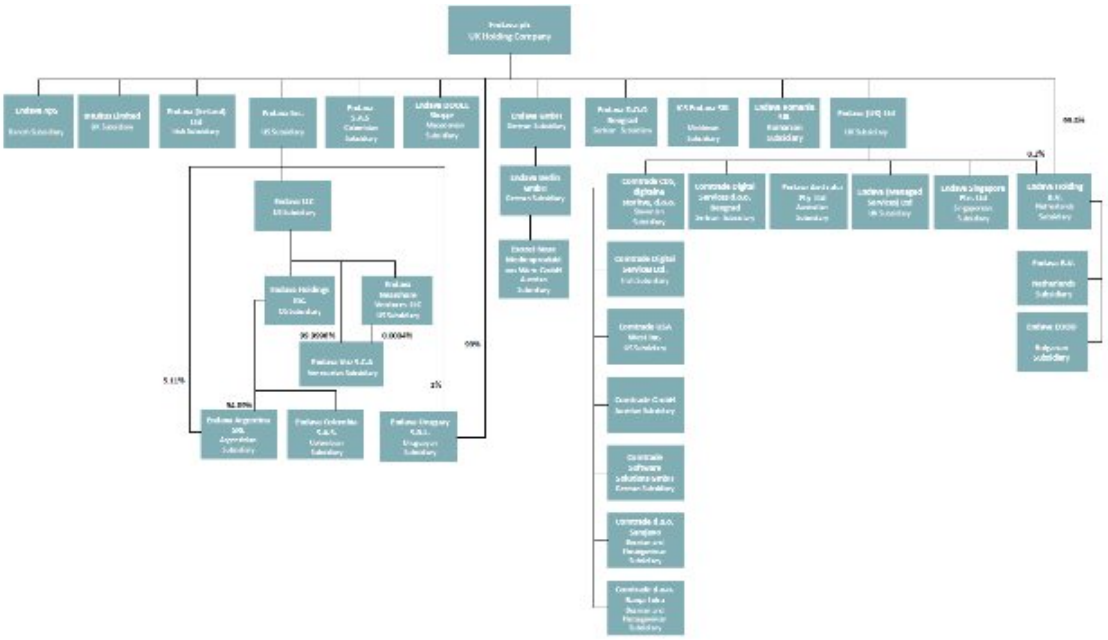
We believe that we have built an organization deeply committed to helping people succeed and that our culture fosters our core values:

- *Openness* : We are confident in our abilities, our approach and our people, so we are transparent.

- *Thoughtfulness* : We care deeply about the success of our people, our clients and the countries in which we operate.
- *Adaptability* : We embrace change and value differences, enabling us to be successful in complex environments.

C. Organizational Structure.

The following diagram illustrates our current corporate structure:



D. *Property, Plants and Equipment.*

For a discussion of property, plant and equipment, see "Item 4.B—Business Overview—Facilities."

Item 4A. Unresolved Staff Comments

Not applicable.

Item 5. Operating and Financial Review and Prospects

Overview

We are a leading next-generation technology services provider and help accelerate disruption by delivering rapid evolution to enterprises. We aid our clients in finding new ways to interact with their customers and users, enabling them to become more engaging, responsive and efficient. Using Distributed Enterprise Agile at scale, we collaborate with our clients, seamlessly integrating with their teams, catalyzing ideation and delivering robust solutions. Our approach to ideation comprises an empathy for user needs, curiosity, creativity and a deep understanding of technologies. From proof of concept, to prototype, to production, we use our engineering expertise to deliver enterprise platforms capable of handling millions of transactions per day. Our people, whom we call Endavans, synthesize creativity, technology and delivery at scale in multi-disciplinary teams, enabling us to support our clients from ideation to production.

Since our founding in 2000, we have expanded from a single office serving clients principally located in the city of London to a global enterprise serving clients across Europe and North America from nearshore delivery centers

located in Central Europe and Latin America. We provide services from our nearshore delivery centers, located in two European Union countries (Romania and Bulgaria), three other Central European countries (Moldova, North Macedonia, and Serbia), and four countries in Latin America (Argentina, Colombia, Uruguay and Venezuela). We have close-to-client offices in five Western European countries (Denmark, Germany, Ireland, the Netherlands and the United Kingdom), and in the United States. As part of our acquisition of CDS on August 17, 2020, we acquired new nearshore delivery centers in Bosnia and Herzegovina and Slovenia, an additional delivery center in Serbia and additional close-to-client offices in Germany, Ireland and the United States, as well as, a sales office in Austria. As of June 30, 2020, we had 6,624 employees (including directors), approximately 50.8% of whom work in nearshore delivery centers in European Union countries. As of June 30, 2020, 2019 and 2018, we had 6,624, 5,754 and 4,819 employees (including directors), respectively. The breakdown of our employees (including directors) by geography is as follows for the periods presented:

Employees (including directors) by geography	**Fiscal Year Ended June 30,**		
	2020	**2019**	**2018**
Western Europe[1]	448	254	232
Central Europe - EU Countries	3,368	3,062	2,578
Sub-total: EU Countries (Western & Central Europe)	3,816	3,316	2,810
Central Europe - Non-EU Countries	1,810	1,583	1,279
Latin America	895	780	665
North America	103	75	65
Total	**6,624**	**5,754**	**4,819**

(1) The increase from 2019 to 2020 in Western Europe headcount includes 25 employees in the United Kingdom acquired in connection with our acquisition of Intuitus in November 2019 and 156 employees in Germany and Austria acquired in connection with our acquisition of Exozet in December 2019.

As a result of our acquisition of CDS on August 17, 2020 our headcount increased by 509 employees.

As of June 30, 2020, we had 416 active clients, which we define as clients who paid us for services over the preceding 12-month period. Our clients principally operate in the Payments and Financial Services vertical and Technology, Media & Telecommunications, or TMT, vertical. Worldpay was our largest client for each of the last three fiscal years, contributing less than 10% in both 2020 and 2019 and 10.8% in 2018. We served clients in the geographies and key industry verticals, which are Payments and Financial Services, TMT and Other, as follows for the periods presented (by revenue):

Revenue by geography	**Fiscal Year Ended June 30,**		
	2020	**2019**	**2018**
		(in thousands)	
North America	£ 100,089	£ 79,231	£ 45,600
Europe	85,882	79,186	73,442
United Kingdom	155,507	129,513	98,571
RoW[1]	9,472	—	—
Total	**£ 350,950**	**£ 287,930**	**£ 217,613**

(1) Rest of World (RoW) is a new geography highlighted in fiscal year ended June 30, 2020. In previous years, clients located in RoW were immaterial.

Revenue by industry vertical	Fiscal Year Ended June 30,		
	2020	2019	2018
	(in thousands)		
Payments and Financial Services	£ 185,175	£ 152,179	£ 123,675
TMT	90,255	78,888	61,095
Other	75,520	56,863	32,843
Total	**£ 350,950**	**£ 287,930**	**£ 217,613**

We have achieved significant growth in recent periods. For the fiscal years ended June 30, 2020, 2019 and 2018,our revenue was £351.0 million, £287.9 million and £217.6 million, respectively, representing a compound annual growth rate of 27.0% over the three fiscal year period. We generated 44.3%, 45.0%, 45.3% of our revenue for the fiscal years ended June 30, 2020, 2019 and 2018, respectively, from clients located in the United Kingdom; we generated 24.5%, 27.5% and 33.7% of our revenue in each of those fiscal years, respectively, from clients located in Europe; and we generated 28.5%, 27.5% and 21.0% of our revenue in each of those fiscal years, respectively, from clients located in North America. We generated 2.7% of our revenue for the fiscal year ended June 30, 2020 from clients located in Rest of World (RoW); in previous years the revenue generated from RoW was immaterial. Our revenue growth rate at constant currency, which is a measure that is not calculated and presented in accordance with International Financial Reporting Standards, or IFRS, for the fiscal years ended June 30, 2020, 2019 and 2018 was 21.0%, 31.1% and 37.2%, respectively. Over the last five fiscal years, 89.4% of our revenue, on average, each fiscal year came from clients who purchased services from us during the prior fiscal year.

Our profit before taxes was £25.3 million, £30.1 million and £24.7 million for the fiscal years ended June 30, 2020, 2019 and 2018, and our profit before taxes as a percentage of revenue was 7.2%, 10.5% and 11.3% respectively, for the same periods. During the year ended June 30, 2020 we incurred £27.9 million of costs in connection with our non-recurring, discretionary employee bonus. The EBT funded the bonus through sales of our Class A ordinary shares. As previously disclosed, the EBT, whose beneficiaries are our employees, was holding certain Class A ordinary shares for sale in the event it decided to fund a discretionary cash bonus to our employees. Excluding the discretionary EBT bonus, profit before taxes for the fiscal year ended June 30, 2020 was £53.0 million, and profit before taxes as a percentage of revenue, 15.1%. The discretionary EBT bonus, along with other items, is excluded when presenting adjusted profit before taxes.

Our adjusted profit before taxes margin, or Adjusted PBT Margin, which is a measure that is not calculated and presented in accordance with IFRS, was 19.5%, 18.0% and 15.4%, respectively, for the fiscal years ended June 30, 2020, 2019 and 2018. See notes 1 and 6 in the section of this Annual Report on Form 20-F titled “Selected Financial Data—Non-IFRS Measures and Other Management Metrics” for a reconciliation of revenue growth rate to revenue growth rate at constant currency and for a reconciliation of profit before taxes to Adjusted PBT, respectively, the most directly comparable financial measures calculated and presented in accordance with IFRS.

Recent Acquisitions

We have in the past pursued and plan to selectively pursue in the future acquisitions focused on augmenting our core capabilities to enhance our expertise in new technologies and industry verticals and increase our geographic reach, while preserving our corporate culture and sustainably managing our growth.

In December 2017, we acquired Velocity Partners for total consideration of £45.9 million, which consisted of (1) cash consideration in the amount of £33.0 million, of which £4.4 million was held back to secure indemnification obligations, (2) contingent consideration of £11.7 million, which may be paid in the form of equity, cash or a combination of equity and cash, depending on a number of conditions and (3) £1.2 million representing amounts due to the former equity holders of Velocity Partners if we receive certain future tax refunds. The fair value of the aggregate consideration on the acquisition date was estimated at £44.9 million. In addition, in connection with the acquisition, we agreed to pay certain continuing employees of Velocity Partners up to £3.7 million in the form of equity or cash, depending on a number of conditions, as well as equity awards with respect to 30,000 Class A ordinary shares. Velocity Partners was headquartered in the United States and increased our North American client base and added nearshore delivery centers in Latin America.

In November 2019, we acquired Intuitus. Located in Edinburgh, UK, the acquisition of Intuitus strengthened our digital due diligence and other technology advisory services to Private Equity clients. See note 15 to our consolidated financial statements appearing elsewhere in this Annual Report on Form 20-F for further information on our acquisition of Intuitus.

In December 2019, we acquired Exozet. Headquartered in Berlin, Germany, Exozet increased our close-to-client German speaking talent and expanded our credentials in immersive experiences, media management and the automotive and broadcasting sectors. See note 15 to our consolidated financial statements appearing elsewhere in this Annual Report on Form 20-F for further information on our acquisition of Exozet.

In August 2020, we completed the acquisition of CDS by acquiring the total issued share capital of Comtrade CDS, digitalne storitve, d.o.o., a company registered in Slovenia and Comtrade Digital Services d.o.o., a company registered in Serbia. The total consideration was €60 million payable in cash, which amount remains subject to post-closing adjustments based on the cash, debt and working capital of CDS as of the closing date. Ten percent of the purchase price will be held back for 24 months and be available to satisfy any warranty or indemnity claims.

Key Factors Affecting Our Performance

We believe that the key factors affecting our performance and results of operations include our ability to:

Expand Relationships with Existing Clients

We are focused on continuing to expand our relationships with existing clients by helping them solve new problems and become more engaging, responsive and efficient. We have a demonstrated track record of expanding our work with clients after an initial engagement. In the 2019 and 2020 fiscal years, the number of clients that have a minimum annual spend with us of at least £1.0 million has grown from 63 to 65, respectively and the average spend of our 10 largest clients was £10.9 million in the 2019 fiscal year and £13.4 million in the 2020 fiscal year. Our ability to increase sales to existing clients will depend on a number of factors, including the level of clients' satisfaction with our services, changes in clients' strategic priorities, changes in key client personnel or strategic transactions involving clients, pricing, competition and overall economic conditions.

Add New Clients across Industry Verticals and Geographies

As of June 30, 2020, 2019 and 2018, we had 416, 275 and 258 active clients, respectively. The increase in the number of active clients in the fiscal year 2020 includes 61 acquired in connection with the acquisition of Intuitus and 85 acquired in the connection with the acquisition of Exozet. We believe that we have a significant opportunity to add new clients in our existing core verticals and geographies, and to expand our client base to new verticals and geographies.

We have established ourselves as a leader in delivering end-to-end ideation-to-production services in the Payments and Financial Services and TMT verticals. Clients in the Payments and Financial Services vertical contributed to 52.8% and 52.9% of our total revenue in the 2020 and 2019 fiscal years, respectively. Clients in the TMT vertical contributed 25.7% and 27.4% of our total revenue in the 2020 and 2019 fiscal years, respectively. Clients in other verticals contributed 21.5% and 19.7% of our total revenue in the 2020 and 2019 fiscal years, respectively. We believe that we continue to have a significant untapped opportunity in these sectors and we plan to leverage this experience to expand our vertical reach.

Attract, Retain and Efficiently Utilize Talent

We believe that our people are our most important asset. We grew our average operational headcount by 14.9% in the 2020 fiscal year and 23.9% in the 2019 fiscal year. We provide Endavans with training to develop their technical and soft skills, in an environment where they are continually challenged and given opportunities to grow as professionals, and with tools and resources to innovate. However, there is significant competition for technology professionals in the geographic regions in which our delivery centers are located and we expect that such competition is likely to continue for the foreseeable future. Further, in order to maintain our gross margin, we must maintain favorable utilization rates among our existing IT professionals, which depends on our ability to integrate and train new employees, efficiently transition employees from completed projects to new assignments, forecast demand for our services, deploy employees with appropriate skills and seniority to projects and manage attrition rates.

Expand Our Nearshore Delivery Capacity

We believe that Distributed Enterprise Agile at scale requires that we have teams based in locations with similar time zones to those of our clients since our delivery teams are in constant dialogue and interaction with our clients. While we believe that we have sufficient delivery center capacity to address our near-term needs and opportunities, as we continue to expand our relationships with existing clients and attract new clients, we will need to expand our teams at existing delivery centers and open new delivery centers in nearshore locations with an abundance of technical talent. However, we compete for talented individuals not only with other companies in our industry, but also with companies in other industries, and there is a limited pool of individuals who have the skills and training needed to help us grow.

Continue to Innovate

We believe that our creative skills, deep digital technical engineering capabilities and leadership in next-generation technologies have allowed us to grow our business and maintain favorable gross margins. Sustaining our competitive differentiation will depend on our ability to continue to innovate and remain at the forefront of emerging technology trends.

Management Metrics

We regularly monitor a number of financial and operating metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. Our management metrics may be calculated in a different manner than similarly titled metrics used by other companies.

	Fiscal Year Ended June 30,		
	2020	2019	2018
	(pounds in thousands)		
Revenue growth rate at constant currency	21.0%	31.1%	37.2%
Average number of employees involved in delivery of our services	5,633	4,902	3,957
Revenue concentration	38.1%	37.7%	41.5%
Number of large clients	65	63	46
Adjusted profit before taxes margin	19.5%	18.0%	15.4%
Adjusted free cash flow	£ 31,446	£ 29,806	£ 28,727

Revenue Growth Rate at Constant Currency

We monitor our revenue growth rate at constant currency. As the impact of foreign currency exchange rates is highly variable and difficult to predict, we believe revenue growth rate at constant currency allows us to better understand the underlying business trends and performance of our ongoing operations on a period-over-period basis. We calculate revenue growth rate at constant currency by translating revenue from entities reporting in foreign currencies into British Pounds using the comparable foreign currency exchange rates from the prior period. For example, the average rates in effect for the fiscal year ended June 30, 2019 were used to convert revenue for the fiscal year ended June 30, 2020 and the revenue for the comparable prior period ended June 30, 2019, rather than the actual exchange rates in effect during the respective period. Revenue growth rate at constant currency is not a measure calculated in accordance with IFRS. See note 1 in the section of this Annual Report on Form 20-F titled “Selected Financial Data—Non-IFRS Measures and Other Management Metrics” for a reconciliation of revenue growth rate at constant currency revenue growth rate, the most directly comparable measure calculated and presented in accordance with IFRS.

Average Number of Employees Involved in Delivery of Our Services

We monitor our average number of operational employees because we believe it gives us visibility into the size of both our revenue-producing base and our most significant cost base, which in turn allows us to better understand changes in our utilization rates and gross margins on a period-over-period basis. We calculate average number of

operational employees as the average of our number of full-time employees involved in delivery of our services on the last day of each month in the relevant period.

Revenue Concentration

We monitor our revenue concentration to better understand our dependence on large clients on a period-over-period basis and to monitor our success in diversifying our revenue base. We define revenue concentration as the percent of our total revenue derived from our 10 largest clients by revenue in each period presented.

Number of Large Clients

We monitor our number of large clients to better understand our progress in winning large contracts on a period-over-period basis. We define number of large clients as the number of clients from whom we generated more than £1.0 million of revenue in the prior 12-month period.

Adjusted Profit Before Taxes Margin

We monitor our adjusted profit before taxes margin, or Adjusted PBT Margin, to better understand our ability to manage operational costs, to evaluate our core operating performance and trends and to develop future operating plans. In particular, we believe that the exclusion of certain expenses in calculating Adjusted PBT Margin facilitates comparisons of our operating performance on a period-over-period basis. Our Adjusted PBT Margin is our Adjusted PBT as a percentage of our total revenue. Our Adjusted PBT, is our profit before taxes adjusted to exclude the impact of share-based compensation expense, discretionary EBT bonus, amortization of acquired intangible assets, realized and unrealized foreign currency exchange gains and losses, initial public offering expenses incurred, Sarbanes-Oxley compliance readiness expenses, net gain disposal of subsidiary, fair value movement of contingent consideration, secondary offering expenses incurred and stamp duty on transfer of shares. Share-based compensation expense, amortization of acquired intangible assets, unrealized foreign currency exchange gains and losses and fair value movement of contingent consideration are non-cash expenses. We do not consider these excluded items to be indicative of our core operating performance. Adjusted PBT Margin is not a measure calculated in accordance with IFRS. See note 5 in the section of this Annual Report on Form 20-F titled "Selected Financial Data—Non-IFRS Measures and Other Management Metrics" for a reconciliation of Adjusted PBT to profit before taxes, the most directly comparable financial measure calculated and presented in accordance with IFRS.

Adjusted Free Cash Flow

We monitor our adjusted free cash flow to better understand and evaluate our liquidity position and to develop future operating plans. Our adjusted free cash flow is our net cash provided by (used in) operating activities, plus grant received, less purchases of non-current tangible and intangible assets. For a discussion of grant received, see "—Components of Results of Operations—Cost of Sales" below. Adjusted free cash flow is not a measure calculated in accordance with IFRS. See note 6 in the section of this Annual Report on Form 20-F titled "Selected Financial Data—Non-IFRS Measures and Other Management Metrics" for a reconciliation of adjusted free cash flow to net cash provided by (used in) operating activities, the most directly comparable financial measure calculated and presented in accordance with IFRS.

A. ***Operating Results.***

The key elements of our results of operations include:

Revenue

We generate revenue primarily from the provision of our services and recognize revenue in accordance with IFRS 15, "Revenue from Contracts with Customers". Revenue is measured at fair value of the consideration received, excluding discounts, rebates, taxes and duties. We enter into master services agreements, or MSAs, with our clients, which provide a framework for services and statements of work to define the scope, timing, pricing terms and performance criteria of each individual engagement under the MSA. Our services are generally performed under time-and-material based contracts (where materials consist of travel and out-of-pocket expenses), fixed-price contracts and managed service contracts.

In the 2020, 2019 and 2018 fiscal years, our 10 largest clients contributed, in the aggregate, £133.8 million, or 38.1%, £108.7 million, or 37.7%, and £90.4 million, or 41.5%, of our total revenue, respectively. The following table shows the number of our clients by revenue on a trailing 12-month basis for the periods presented:

Revenue	**Fiscal Year Ended June 30,**		
	2020	**2019**	**2018**
Over £5 Million	15	15	8
£2 - £5 Million	31	26	22
£1 - £2 Million	19	22	16
Less than £1 Million	351	212	212
Total[(1)]	**416**	**275**	**258**

(1)The increase in the number of active clients includes 61 acquired in connection with the acquisition of Intuitus and 85 acquired in the connection with the acquisition of Exozet.

Cost of Sales

Direct cost of sales consists primarily of personnel costs, including salary, bonuses, share-based compensation, benefits and travel expenses for our employees directly involved in delivery of our services, as well as software licenses and other costs that relate directly to the delivery of services. Included in the allocated cost of sales is the portion of depreciation and amortization expense attributable to the portion of our property and equipment and intangible assets utilized in the delivery of services to our clients. Our cost of sales is reported net of any income recognized from research and development credits and government grants arising from past or future operating activities where those activities are related directly to the delivery of services. We expect our cost of sales to remain relatively stable as a percentage of revenue.

In June 2013, we were awarded a grant of Romanian leu, or RON, 41.4 million (£7.94 million) from the Romanian Ministry of Finance for the creation of 500 new jobs in Romania between June 2013 and December 2015, subject to certain conditions, including continuing the newly created jobs for a five year period. To date, we have submitted claims and received £7.5 million under the grant, and there are no further claims to be submitted. Claims are subject to audit by the Romanian authorities and secured until the end of the five-year maintenance period by a letter of credit. We recognize the income from the grant over the five-year period we are required to maintain the positions as an offset to cost of sales. The receipt of a cash payment under the grant is recognized in the statement of cash flows as cash from a financing activity. To the extent the amount we received is greater or less than the amount recognized, the difference is recorded as working capital.

We are also eligible to receive credits from the United Kingdom taxing authorities for qualifying research and development expenditures on an annual basis. The credits are based on a fixed percentage (11% prior to December 31, 2017, 12% from January 1, 2018 to March 31, 2020, and 13% thereafter) of the cost of work that is directed and supervised from the United Kingdom and achieves an advance in technology that was uncertain at the outset of the work. We recognize the income from these credits as an offset to cost of sales. The receipt of credits is recognized in the statement of cash flows as cash from an operating activity.

Gross Profit

Gross profit and gross margin, or gross profit as a percentage of total revenue, has been, and will continue to be, affected by various factors, including wage inflation and the impact of foreign exchange in the countries in which we operate.

Selling, General and Administrative Expenses

Personnel costs, including salaries, bonuses, sales commissions and benefits are the most significant component of selling, general and administrative expenses. Included in selling, general and administrative expenses relating to sales and marketing expense are costs related to marketing programs and travel. Marketing programs consist of advertising, events, corporate communications and brand-building activities. Included in other selling, general and

administrative expenses to general and administrative expense are external legal, accounting and other professional fees, as well as acquisition-related transaction costs. Selling, general and administrative expenses also include facilities-related and information technology hardware and software costs. Selling, general and administrative expenses includes share-based compensation expense for employees in our selling, general and administrative functions. Selling, general and administrative expenses also includes allocated operating lease expense and depreciation and amortization, which consists primarily of depreciation of property, plant and equipment, as well as the amortization of software and licenses and intangible assets acquired through acquisitions (client relationships and non-compete agreements).

Net Finance Income/(Expense)

Finance costs consist primarily of interest expense on borrowings and leases, running costs related to our revolving credit facility, unwinding of the discount on acquisition holdbacks and contingent consideration, losses on disposal of available-for-sale financial assets, dividends on preference shares classified as liabilities and reclassifications of amounts previously recognized in other comprehensive income. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method. Finance income consists of interest income on funds invested. Interest income is recognized as it accrues in profit or loss, using the effective interest method.

Net finance income/(expense) also reflects the net effect of realized and unrealized foreign currency exchange gains and losses.

Gain on Sale of Subsidiary

On June 1, 2019, Endava entered into an agreement to sell Endava Technology SRL, or the Captive, to Worldpay and to terminate the option and transfer agreement. On August 31, 2019 the transaction was completed and the employees of the Captive became employees of Worldpay.

Provision for Income Taxes

We are subject to income taxes in the United Kingdom, Romania, the United States and numerous other jurisdictions. Our provision for income taxes, which is reflected on our statement of comprehensive income as “tax on profit on ordinary activities,” consists primarily of liabilities for taxes due to, or potential claims from, tax authorities in the jurisdictions in which we operate. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted at the end of the applicable reporting period.

Our effective tax rates differ from the statutory rate applicable to us primarily due to: differences between domestic and foreign jurisdiction tax rates; tax credits and non-taxable items; non-deductible share-based compensation expenses; and other non-deductible expenses. Changes in the geographic mix of revenue can also cause our overall effective tax rate to vary from period to period. Tax expense is recognized in profit or loss based on the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity

Critical Accounting Policies and Significant Judgments and Estimates

We prepare our consolidated financial statements in accordance with IFRS, which require us to make judgments, estimates and assumptions that affect the amounts reported in those financial statements and accompanying notes. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Although we believe that the estimates we use are reasonable, due to the inherent uncertainty involved in making those estimates, actual results reported in future periods could differ from those estimates.

Some of our accounting policies require higher degrees of judgment than others in their application. We believe that the following accounting policies involve a high degree of judgment and complexity. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our consolidated financial condition and results of our operations. See note 3 to our consolidated financial statements appearing elsewhere in this Annual Report on Form 20-F for a description of our other significant accounting policies.

Business Combinations

Business acquisitions are accounted for using the acquisition method. The results of businesses acquired in a business combination are included in our consolidated financial statements from the date of the acquisition. Purchase accounting results in assets and liabilities of an acquired business being recorded at their estimated fair values on the acquisition date. Any excess consideration over the fair value of assets acquired and liabilities assumed is recognized as goodwill.

We perform valuations of assets acquired and liabilities assumed on each acquisition accounted for as a business combination and allocate the purchase price to the tangible and intangible assets acquired and liabilities assumed based on our best estimate of fair value. In making these determinations, we are required to make estimates and assumptions that affect the recorded amounts, including future revenue growth, client attrition rates, and discount rates impacting the valuation of client relationship intangible assets. To assist us in making these fair value determinations, we may engage third party valuation specialists.

We determine the appropriate useful life of intangible assets by performing an analysis of cash flows based on historical experience of the acquired businesses. Intangible assets are amortized over their estimated useful lives based on the pattern in which the economic benefits associated with the asset are expected to be consumed, which to date has approximated the straight-line method of amortization.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of contingent consideration are recognized in profit and loss.

Transaction costs associated with business combinations are expensed as incurred and are included in selling, general and administrative expenses.

Further detailed information in relation to business combinations is included in note 15 to the financial statements.

Recoverability of trade and other receivables

We initially recognize trade and other receivables at fair value, which is usually the original invoiced amount. They are subsequently carried at amortized cost using the effective interest method. The carrying amount of these balances approximates to fair value due to the short maturity of amounts receivable.

Trade receivables are non-interest bearing and are generally on 30 to 90 day terms depending on the geographical territory in which sales are generated. We know that certain debts due to us may not be paid through the default of a small number of our customers. Accordingly, we recognize an expected credit loss allowance, which is deducted from the gross carrying amount of the receivable. The allowance is calculated by reference to credit losses expected to be incurred over the lifetime of the receivable. In estimating a loss allowance we consider historical experience and forward-looking informed credit assessment relating to customer specific trends and conditions alongside other factors such as the current state of the economy and particular industry issues. We consider reasonable and supportable information that is relevant and available without undue cost or effort. Due to the global financial uncertainty arising from the COVID-19 pandemic, management has considered the elevated credit risk on trade receivables. In addition, certain balances (where there was an objective evidence of credit impairment) have been provided for on an individual basis.

Recent Accounting Pronouncements

See note 2 to our consolidated financial statements appearing elsewhere in this Annual Report on Form 20-F for a description of the application of new and revised international financial reporting standards.

Results of Operations

The following table sets forth our consolidated statements of comprehensive income data for the periods presented:

	Fiscal Year Ended June 30,		
	2020	2019	2018
	(in thousands)		
Consolidated Statements of Comprehensive Income Data:			
Revenue	£ 350,950	£ 287,930	£ 217,613
Cost of sales:			
Direct cost of sales[1]	(233,352)	(174,152)	(132,775)
Allocated cost of sales	(17,447)	(14,951)	(12,668)
Total Cost of sales	(250,799)	(189,103)	(145,443)
Gross profit	100,151	98,827	72,170
Selling, general and administrative expenses[1]	(78,279)	(65,857)	(46,737)
Operating profit	21,872	32,970	25,433
Net finance income/(expense)	1,169	(2,870)	(783)
Gain on sales of subsidiary	2,215	—	—
Profit before tax	25,256	30,100	24,650
Tax on profit on ordinary activities	(3,846)	(6,093)	(5,675)
Profit for the year and profit attributable to the equity holders of the Company	£ 21,410	£ 24,007	£ 18,975

(1) Includes share-based compensation expense as follows:

	Fiscal Year Ended June 30,		
	2020	2019	2018
	(in thousands)		
Direct cost of sales	£ 8,941	£ 5,724	£ 1,006
Selling, general and administrative expenses	6,722	6,298	499
Total	£ 15,663	£ 12,022	£ 1,505

The following table sets forth our consolidated statements of comprehensive income data expressed as a percentage of total revenue:

	Fiscal Year Ended June 30,		
	2020	2019	2018
Consolidated Statements of Comprehensive Income Data:			
Revenue	100 %	100 %	100 %
Cost of sales:			
Direct cost of sales	(66.5)%	(60.5)%	(61.0)%
Allocated cost of sales	(5.0)%	(5.2)%	(5.8)%
Total Cost of sales	(71.5)%	(65.7)%	(66.8)%
Gross profit	28.5 %	34.3 %	33.2 %
Selling, general and administrative expenses	(22.3)%	(22.9)%	(21.5)%
Operating profit	6.2 %	11.5 %	11.7 %
Net finance income/(expense)	0.3 %	(1.0)%	(0.4)%
Gain on sale of subsidiary	0.6 %	— %	— %
Profit before tax	7.2 %	10.5 %	11.3 %
Tax on profit on ordinary activities	(1.1)%	(2.1)%	(2.6)%
Profit for the year and profit attributable to the equity holders of the Company	6.1 %	8.3 %	8.7 %

Adoption of IFRS 16 Leases

Fiscal year 2020 is the first fiscal year in which the Group has prepared following adoption of IFRS 16 Leases. The application of IFRS 16 has resulted in a material gross up of the Consolidated Balance Sheet and a reclassification of charges previously booked to cost of sales and operating expenses to depreciation and interest expense. The impact on the Consolidated Statement of Comprehensive Income is not significant as included in the allocated cost of sales is the portion of depreciation and amortization expense attributable to the portion of our property and equipment and intangible assets utilized in the delivery of services to our clients, including depreciation of right-of-use assets. The net impact on profit before tax is immaterial and the approach to adopting the new standard has not required comparative information to be restated.

Comparison of the Years Ended June 30, 2020, 2019 and 2018

Revenue

	Year Ended June 30,			% Change	
	2020	2019	2018	2020 vs. 2019	2019 vs. 2018
	(pounds in thousands)				
Revenue	£ 350,950	£ 287,930	£ 217,613	21.9%	32.3%

2020 Compared to 2019. Revenue for 2020 was £351.0 million, an increase of £63.0 million, or 21.9%, over 2019. In constant currency terms, revenue grew by 21.0% over 2019. We achieved significant growth in revenue across all verticals. Revenue from clients in the Payments and Financial Services vertical increased by £33.0 million, or 21.7%, to £185.2 million in 2020 from £152.2 million in 2019. Revenue from clients in the TMT vertical increased by £11.4 million, or 14.4%, to £90.3 million in 2020 from £78.9 million in 2019. Revenue from clients in our Other vertical also grew significantly, increasing by £18.7 million, or 32.8%, to £75.5 million in 2020 from £56.9 million in 2019. The acquired operations of Intuitus contributed £3.4 million in 2020, particularly within our Other vertical and in the

United Kingdom. The acquired operations of Exozet contributed £8.0 million in 2020, particularly within our TMT vertical and in Europe. Revenue also grew across all geographies. Revenue from clients based in Europe increased by £6.7 million, or 8.5%, to £85.9 million in 2020 from £79.2 million in 2019. Revenue from clients based in the United Kingdom increased by £26.0 million, or 20.1%, to £155.5 million in 2020 from £129.5 million in 2019. Revenue from clients based in North America increased by £20.9 million, or 26.3%, to £100.1 million in 2020 from £79.2 million in 2019. We generated 2.7% of our revenue for the fiscal year ended June 30, 2020 from clients located in Rest of World (RoW), while in previous years the revenue generated from RoW was immaterial. Revenue from our top 10 clients in 2020 increased by £25.1 million, or 23.1%, to £133.8 million compared to £108.7 million in revenue from our top 10 clients in 2019.

2019 Compared to 2018. Revenue for 2019 was £287.9 million, an increase of £70.3 million, or 32.3%, over 2018. In constant currency terms, revenue grew by 31.1% over 2018. We achieved significant growth in revenue across all verticals. Revenue from clients in the Payments and Financial Services vertical increased by £28.5 million, or 23.0%, to £152.2 million in 2019 from £123.7 million in 2018. Revenue from clients in the TMT vertical increased by £17.8 million, or 29.1%, to £78.9 million in 2019 from £61.1 million in 2018. Revenue from clients in our Other vertical also grew significantly, increasing by £24.0 million, or 73.1%, to £56.9 million in 2019 from £32.8 million in 2018. Revenue also grew across all geographies. Revenue from clients based in Europe increased by £5.7 million, or 7.8%, to £79.2 million in 2019 from £73.4 million in 2018. Revenue from clients based in the United Kingdom increased by £30.9 million, or 31.4%, to £129.5 million in 2019 from £98.6 million in 2018. Revenue from clients based in North America increased by £33.6 million, or 73.8%, to £79.2 million in 2019 from £45.6 million in 2018. Revenue from our top 10 clients in 2019 increased by £18.3 million, or 20.3%, to £108.7 million compared to £90.4 million in revenue from our top 10 clients in 2018.

Cost of Sales

	Year Ended June 30,			% Change	
	2020	2019	2018	2020 vs. 2019	2019 vs. 2018
	(pounds in thousands)				
Cost of sales					
Direct cost of sales	£ (233,352)	£ (174,152)	£ (132,775)	34.0%	31.2%
Allocated cost of sales	(17,447)	(14,951)	(12,668)	16.7%	18.0%
Total Cost of sales	(250,799)	(189,103)	(145,443)	32.6%	30.0%
Gross margin	28.5%	34.3%	33.2%		

2020 Compared to 2019. Total cost of sales increased by £61.7 million, or 32.6%, in 2020 compared to 2019. The increase consisted of a £59.2 million increase in direct cost of sales, as a result of increased personnel costs, which reflected an increase in the average number of employees involved in delivery of our services from 4,902 in 2019 to 5,633 in 2020. Our growth in operational headcount consisted of new employees located in Western Europe, acquired in connection with the acquisition of Intuitus and Exozet, as well as continued organic growth in the number of employees at our existing delivery centers. Cost of sales also includes £25.4 million of costs incurred in connection with our non-recurring, discretionary EBT employee bonus. Grant income decreased by £0.1 million in 2020 compared to 2019 and research and development credits increased by £0.3 million in 2020 compared to 2019. Included in the allocated cost of sales is the portion of depreciation and amortization expense attributable to the portion of our property and equipment and intangible assets utilized in the delivery of services to our clients. This increased by £2.5 million in 2020 compared to 2019, or 16.7% due to the increase in size of our delivery organization. Gross margin decreased to 28.5% in 2020 from 34.3% in 2019. Excluding the non-recurring cost of the discretionary EBT bonus, gross margin would have increased to 35.8% in 2020.

2019 Compared to 2018. Total cost of sales increased by £43.7 million, or 30.0%, in 2019 compared to 2018. The increase consisted of a £41.4 million increase in direct cost of sales, primarily as a result of increased personnel costs, which reflected an increase in the average number of employees involved in delivery of our services from 3,957 in 2018 to 4,902 in 2019. Our growth in operational headcount consisted of continued organic growth in the number of

employees at our delivery centers. Grant income decreased by £0.8 million in 2019 compared to 2018 and research and development credits increased by £0.3 million in 2019 compared to 2018. Additionally, allocated cost of sales increased by £2.3 million in 2019 compared to 2018, or 18.0%, primarily as a result of increased property costs and increased headcount. Gross margin increased to 34.3% in 2019 from 33.2% in 2018.

Selling, General and Administrative Expenses

	Year Ended June 30,			% Change	
	2020	2019	2018	2020 vs. 2019	2019 vs. 2018
	(pounds in thousands)				
Selling, general and administrative expenses	£ (78,279)	£ (65,857)	£ (46,737)	18.9%	40.9%
% of revenue	(22.3)%	(22.9)%	(21.5)%		

2020 Compared to 2019. Selling, general and administrative expenses increased by £12.4 million, or 18.9% in 2020 compared to 2019. The increase in total selling, general and administrative expenses is primarily related to an increase of £6.9 million in general and administrative expenses as a result of increased support functions costs in line with growth, increased M&A costs, plus Sarbanes-Oxley compliance expenses. General and administrative expenses also includes £2.5 million of costs incurred in connection with our non-recurring, discretionary EBT employee bonus. Sales and marketing expenses increased by £4.7 million. Depreciation and amortization increased by £2.1 million, or 51.8%, in 2020 compared to 2019, primarily as a result of a £0.6 million increase in amortization of acquired intangible assets acquired. As a percentage of revenue, selling, general and administrative expenses decreased from 22.9% to 22.3%. Excluding the non-recurring cost of the discretionary EBT bonus, as a percentage of revenue, selling, general and administrative expenses would have decreased to 21.6% in 2020. Selling, general and administrative expenses as a percentage of revenue remained flat when excluding non-recurring costs in 2019, which would have been 21.7%.

2019 Compared to 2018. Selling, general and administrative expenses increased by £19.1 million, or 40.9% in 2019 compared to 2018. The increase in total selling, general and administrative expenses is primarily related to an increase of £15.6 million in general and administrative expenses as a result of increased support functions costs involved with public company running costs. General and administrative expenses also includes £3.5 million of costs incurred in connection with our initial and follow on offerings, plus Sarbanes-Oxley compliance expenses. Sales and marketing expenses increased by £2.0 million. Depreciation and amortization increased by £1.0 million, or 33.4%, in 2019 compared to 2018, primarily as a result of a £0.8 million increase in amortization of acquired intangible assets acquired. As a percentage of revenue, selling, general and administrative expenses increased from 21.5% to 22.9%, reflecting increased expenditures in public company operating costs.

Net Finance Income/(Expense)

	Year Ended June 30,			% Change	
	2020	2019	2018	2020 vs. 2019	2019 vs. 2018
	(pounds in thousands)				
Net finance income/(expense)	£ 1,169	£ (2,870)	£ (783)	(140.7)%	266.5%
% of revenue	0.3%	(1.0)%	(0.4)%		

2020 Compared to 2019. In 2020, we recognized net finance income of £1.2 million, which included a charge to lease interest of £1.1 million related to the first time application in 2020 of IFRS16 accounting treatment and a £2.1 million gain related to changes in foreign exchange rates. In 2019, net finance expense included a £6.0 million cost relating to the fair value movement of contingent consideration and £2.9 million gain related to changes in foreign exchange rates.

2019 Compared to 2018. In 2019, we recognized net finance expense of £2.9 million, which included a £6.0 million cost relating to the fair value movement of contingent consideration and £2.9 million gain related to changes in foreign exchange rates. In 2018, we recognized net finance expense of £0.8 million, which included £0.6 million related to interest payable on amounts outstanding under our credit facility.

Gain from Sale of Subsidiary

	Year Ended June 30,			% Change	
	2020	2019	2018	2020 vs. 2019	2019 vs. 2018
	(pounds in thousands)				
Gain from sale of subsidiary	£ 2,215	£ —	£ —	100.0%	—%
% of revenue	0.6%	—%	—%		

2020 compared to 2019. On June 1, 2019, Endava entered into an agreement to sell the Captive to Worldpay and to terminate the option and transfer agreement. On August 31, 2019 the transaction was completed and the employees of the Captive became employees of Worldpay. The aggregate selling price of the Captive was £3.6 million and the Group recognized a gain on disposal of subsidiary of £2.2 million.

Provision for Income Tax

	Year Ended June 30,			% Change	
	2020	2019	2018	2020 vs. 2019	2019 vs. 2018
	(pounds in thousands)				
Provision for income taxes	£ (3,846)	£ (6,093)	£ (5,675)	(36.9)%	7.4%

2020 Compared to 2019. Provision for income taxes decreased by £2.2 million, or (36.9)%, in 2020 compared to 2019. Our annual effective tax rate for 2020 was 15.2%, compared to an annual effective tax rate of 20.2% for 2019. In 2020, our effective tax rate decreased compared to 2019 primarily due to the non-taxability of the gain on the sale of the Worldpay Captive subsidiary and one-off tax measures introduced by governments in response to the COVID-19 pandemic.

2019 Compared to 2018. Provision for income taxes increased by £0.4 million, or 7.4%, in 2019 compared to 2018. Our annual effective tax rate for 2019 was 20.2%, compared to an annual effective tax rate of 23.0% for 2018. In 2019, our effective tax rate decreased compared to 2018 primarily due to non-deductible expenses arising in 2018 in relation to our initial public offering.

B. ***Liquidity and Capital Resources.***

Capital Resources

To date, we have financed our operations primarily through sales of information technology services, as well as borrowings under our revolving credit facilities and through our initial public offering that we completed in July 2018. As of June 30, 2020, we had £101.3 million in cash and cash equivalents.

In October 2019, we entered into the Facility Agreement. The Facility Agreement is an unsecured revolving credit facility in the amount of £200 million with an initial period of three years, and it replaces the existing £50 million secured facility with HSBC UK Bank Plc. The Facility Agreement also provides for uncommitted accordion options for up to an aggregate of £75 million in additional borrowing. The Facility Agreement is intended to support the Company's and its subsidiaries' future capital investments and development activities. The Facility Agreement matures on October 12, 2022. Loans under the Facility Agreement bear interest, at our option, at a rate equal to either the LIBOR rate, the EURIBOR rate or the ROBOR rate, plus an applicable margin ranging from 0.8% to 1.50% per annum, based upon the net leverage ratio. Our obligations under the Facility Agreement are guaranteed by some of our subsidiaries.

The Facility Agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to the facility parties and our consolidated subsidiaries. Under the terms of the Facility Agreement, we are required to comply with net leverage ratio and interest coverage covenants. The Facility Agreement contains customary events of default. As of June 30, 2020, there was no amount outstanding under the £200 million primary facility apart from £8.7 million utilized for bank guarantees issued by HSBC UK Bank plc and no breach of any covenant.

On completion of our initial public offering, we received £40.2 million net proceeds. A portion of the net proceeds were used to repay all amounts borrowed under the previous revolving credit facility in August 2018.

Future Capital Requirements

We believe that our existing cash and cash equivalents, together with cash generated from our operations, will be sufficient to meet our working capital expenditure requirements for at least the next 12 months. Our future capital requirements will depend on many factors, including our growth rate and any acquisitions we may complete.

Cash Flows

The following table shows a summary of our cash flows for the years ended June 30, 2020, 2019 and 2018:

	Year Ended June 30,		
	2020 (£)	**2019 (£)**	**2018 (£)**
		(in thousands)	
Cash and cash equivalents at beginning of the year	£ 70,172	£ 15,048	£ 23,571
Net cash from operating activities	40,243	35,348	33,984
Net cash used in investing activities	(29,748)	(10,051)	(31,792)
Net cash from / (used in) financing activities	20,878	26,355	(10,732)
Effects of exchange rates on cash and cash equivalents	(218)	3,472	17
Cash and cash equivalents at end of the year	£ 101,327	£ 70,172	£ 15,048

Operating Activities

Operating activities provided £40.2 million of cash in the year ended June 30, 2020, primarily from profit before tax of £25.3 million and other non-cash items of £28.6 million, offset by tax paid of £5.9 million and net changes in working capital of £7.8 million. The net changes in working capital were primarily driven by a net increase in trade receivables and accrued income of £11.9 million and an increase in prepayments of £3.2 million, partially offset by an increase in accruals of £4.3 million, an increase in VAT and payroll taxes payable of £2.1 million and an increase in deferred income of £0.8 million.

Operating activities provided £35.3 million of cash in the year ended June 30, 2019, primarily from profit before tax of £30.1 million, a U.K. research and development credit received of £1.3 million and other non-cash items of £21.4 million, offset by tax paid of £5.9 million and net changes in working capital of £11.5 million. The net changes in working capital were primarily driven by a net increase in trade receivables and accrued income of £13.8 million, partially offset by an increase in other creditors of £1.4 million and an increase in accruals of £1.3 million.

Operating activities provided £34.0 million of cash in the year ended June 30, 2018, primarily from profit before tax of £24.7 million, a U.K. research and development credit received of £1.9 million, net changes in working capital of £6.8 million and other non-cash items of £6.2 million, partially offset by tax paid of £5.6 million. The net changes in working capital were primarily driven by an increase in accruals of £16.4 million, partially offset by a net increase in trade receivables and accrued income of £4.0 million, a decrease in other creditors of £3.3 million and an increase in prepayments of £2.3 million.

Investing Activities

Investing activities used £29.7 million of cash in the year ended June 30, 2020, including £15.2 million (net of the cash acquired) to fund the acquisition of Exozet, £6.5 million (net of the cash acquired) to fund the acquisition of Intuitus, £1.6 million for settling the holdback amount and tax refund consideration from the acquisition of Velocity Parners, £7.4 million for purchases of property, plant and equipment relating to our delivery centers and £2.5 million for purchases of software and licenses, partially offset by the net proceeds of £2.7 million (net of cash disposed of) from sale of the Captive to Worldpay and £0.5 million interest received on bank deposits.

Investing activities used £10.1 million of cash in the year ended June 30, 2019, including £3.2 million(net of the cash acquired) to fund the acquisition of Velocity Partners, £6.1 million for purchases of property, plant and equipment relating to our delivery centers and £1.3 million for purchases of software and licenses.

Investing activities used £31.8 million of cash in the year ended June 30, 2018, including £26.4 million (net of the cash acquired) to fund the acquisition of Velocity Partners, £3.7 million for purchases of property, plant and equipment relating to our delivery centers and £1.8 million for purchases of software and licenses

Financing Activities

Financing activities provided £20.9 million of cash in the year ended June 30, 2020, including £30.9 million of proceeds from sale of EBT shares, £0.9 million in grants from the Romanian, Serbian and North Macedonian governments and proceeds from sublease £0.7 million, partially offset by £9.9 million repayment of lease liabilities, £1.0 million repayment of borrowings and £0.8 million of interest payments.

Financing activities provided £26.4 million of cash in the year ended June 30, 2019, including £44.8 million net proceeds from our Initial Public Offering and £1.8 million in grants from the Romanian and North Macedonian governments, partially offset by £20.0 million repayment of net borrowings under our credit facility and £0.3 million of interest payments.

Financing activities used £10.7 million of cash in the year ended June 30, 2018, including £10.3 million of net borrowings under our credit facility and £0.6 million of interest payments, partially offset by £0.1 million in grants from the North Macedonian government.

C. ***Research and Development, Patents and Licenses, etc.***

Not applicable.

D. ***Trend Information.***

For a discussion of trends, see “Item 5.A—Operating Results” and “Item 5.B—Liquidity and Capital Resources.”

E. ***Off-Balance Sheet Arrangements.***

We did not have during the periods presented, and we do not currently have, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

F. ***Tabular Disclosure of Contractual Obligations.***

Contractual Obligations and Commitments

The following table summarizes our commitments to settle contractual obligations as of June 30, 2020 and the effect such obligations are expected to have on our liquidity and cash flows:

	Less than 1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years	Total
			(in thousands)		
Lease liabilities	£ 11,132	£ 18,852	£ 11,791	£ 16,168	£ 57,943
Short-term leases	169	—	—	—	169
Leases contracted, but not yet commenced	799	6,040	6,005	13,936	26,780
Other long-term liabilities	—	136	—	—	136
Total	**£ 12,100**	**£ 25,028**	**£ 17,796**	**£ 30,104**	**£ 85,028**

As of June 30, 2020, we have property leases that expire at various dates through June 2031.

G. Safe Harbor.

This Annual Report on Form 20-F contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act and as defined in the Private Securities Litigation Reform Act of 1995. See "Cautionary Statement Regarding Forward-Looking Statements."

Item 6. Directors, Senior Management and Employees

A. ***Directors and Senior Management.***

MANAGEMENT

Executive Officers and Directors

The following table sets forth certain information with respect to our executive officers and directors, including their ages as of August 15, 2020:

Name	Age	Position(s)
Executive Officers		
John Cotterell	59	Chief Executive Officer, Director
Mark Thurston	56	Chief Financial Officer, Director
Rob Machin	47	Chief Operating Officer
Julian Bull	50	Chief Commercial Officer
Rohit Bhoothalingam	47	General Counsel
Non-Employee Directors		
Trevor Smith	65	Chairman of the Board of Directors
Andrew Allan	64	Director
Sulina Connal	52	Director
Ben Druskin	52	Director
Mike Kinton	73	Director
David Pattillo	60	Director

Unless otherwise indicated, the current business addresses for our executive officers and directors is c/o Endava plc, 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Each executive officer serves at the discretion of our board of directors and holds office until his or her successor is duly elected or qualified or until his or her earlier resignation or removal. There are no family relationships among any of our executive officers or directors.

Executive Officers

John Cotterell founded our company and has served as our Chief Executive Officer and as a member of our board of directors since our inception in February 2000. Mr. Cotterell holds a B.Eng. from the University of Bristol and an M.B.A. from the Alliance Manchester Business School. Our board of directors believes that Mr. Cotterell's leadership of our company since its inception and experience with information technology companies prior to founding our company provide him with the qualifications and skills to serve as a director.

Mark Thurston has served as our Chief Financial Officer and as a member of our board of directors since April 2015. From May 2011 to March 2015, Mr. Thurston served as Group Finance Director at Paragon Education and Skills Ltd. Mr. Thurston holds a Physics degree from Durham University and is a member of the Institute of Chartered Accountants in England and Wales. Our board of directors believes that Mr. Thurston's perspective and experience as our Chief Financial Officer provide him with the qualifications and skills to serve as a director.

Rob Machin has served as our Chief Operating Officer since July 2017 and previously served as a member of our board of directors from September 2013 to June 2016. Mr. Machin originally joined Endava in 2000 as our Chief Technical Officer. From September 2007 to September 2010, Mr. Machin served as an Executive Director at UBS Investment Bank. Mr. Machin re-joined Endava in 2010 as our U.K. Managing Director. Mr. Machin is a Fellow of the British Computer Society and a Chartered IT Professional. Mr. Machin holds a first class honors degree from Durham University in Mathematics and Philosophy (B.Sc. Nat Sci).

Julian Bull has served as our Chief Commercial Officer since July 2016. From April 2001 to June 2016, Mr. Bull served as our Sales and Marketing Director.

Rohit Bhoothalingam was appointed as our General Counsel in March 2019. Prior to joining Endava, he served as the Associate General Counsel for VEON, a Nasdaq and Euronext-listed digital and telecommunications company from October 2016 until August 2018. From December 2008 to December 2014, Mr. Bhoothalingam was the General Counsel at London Mining Plc, a global mining company, and from December 2014 to July 2016, he served as Consulting General Counsel at London Mining Plc. Mr. Bhoothalingam studied law at Cambridge University and holds a Masters in Law from Georgetown University Law Center.

Non-Employee Directors

Trevor Smith has served as a member of our board of directors since June 2013 and our chairman since July 2016. Prior to his retirement, Mr. Smith held various roles at Goldman, Sachs & Co., an investment bank, including Chief Information Officer for the EMEA Region from January 2000 to September 2009 and in a part-time Business Resiliency & Crisis Management and Special Project role from March 2010 until June 2013. Mr. Smith holds a B.Sc. in Economics from UCW Aberystwyth. Our board of directors believes that Mr. Smith's experience in information technology and delivery of large projects provide him with the qualifications and skills to serve as a director.

Andrew Allan has served as a member of our board of directors since April 2006, having previously served as a member of the board of Brains Direct Ltd, which we acquired in April 2006. He currently serves as Managing Partner at Fairways Corporate Finance, a position he has held since May 2003. Mr. Allan is a qualified Chartered Accountant and a current member of the Institute of Chartered Accountants of Scotland. Mr. Allan holds a Bachelor's degree in Finance from the University of Strathclyde. Our board of directors believes that Mr. Allan's business experience provide him with the qualifications and skills to serve as a director.

Sulina Connal has served as a member of our board of directors since September 25, 2019. Since April 2020, she has served as Director of Product Partnerships for News, Web and Publishing for EMEA for Google. Previously, Ms. Connal served as the Director of Mobile and Connectivity Partnerships at Facebook from October 2017 to April 2020. Prior to that, from April 2014 until September 2017, she served as the Senior Vice President of Strategic Partnerships at Orange. Ms. Connal holds an M.A. from the University of Oxford. Our board of directors believes that Ms. Connal's business experience provides her with the qualifications and skills to serve as a director.

Ben Druskin has served as a member of our board of directors since September 2017. Mr. Druskin retired from Citigroup in August 2017. From 2014 until his retirement, Mr. Druskin served as the Chairman of the Global Technology, Media and Telecom Investment Banking Group. Prior to becoming Chairman, Mr. Druskin was co-head of the Global Technology, Media and Telecom Investment Banking Group. Mr. Druskin has served as a member of the board of directors of Zensar Technologies since November 2017. Mr. Druskin holds a B.A. in Economics from Rutgers College and an M.B.A. in Finance from The Stern School of Business at New York University. Our board of directors believes that Mr. Druskin's expertise in capital raising and mergers and acquisitions provide him with the qualifications and skills to serve as a director.

Mike Kinton has served as a member of our board of directors since April 2006. Since July 1999, Mr. Kinton has served as Managing Director at Kinton Technology Ltd. Mr. Kinton has served as a member of the board of directors of PaperRound HND Services Ltd, since February 2005 and Prmax Ltd., since March 2007. Mr. Kinton holds an M.A. from the University of Cambridge and a M.S. from London Business School. Our board of directors believes that Mr. Kinton's experience in the information technology industry, as well as his valuable experience gained from prior and current board service, provides him with the qualifications and skills to serve as a director.

David Pattillo has served as a member of our board of directors since January 2017. From February 2014 to January 2019, Mr. Pattillo served as the Chief Financial Officer and member of the board of directors of ClearStar, Inc. From June 2012 to December 2013, Mr. Pattillo served as Manager of Dapa, LLC. Mr. Pattillo holds a B.S. from Clemson University and an MBA from the University of Georgia – Terry College of Business. Our board of directors believes that Mr. Pattillo's knowledge of the information technology industry provides him with the qualifications and skills to serve as a director.

B. Compensation.

The following discussion provides the amount of compensation paid, and benefits in-kind granted, by us and our subsidiaries to our directors, executive officers and non-employee directors for services in all capacities to us and our subsidiaries for the fiscal year ended June 30, 2020, as well as the amount contributed by us or our subsidiaries into money purchase plans for the fiscal year ended June 30, 2020 to provide pension, retirement or similar benefits to our directors, members of our senior management and non-employee directors.

The following information on Directors' remuneration has been prepared in accordance with disclosure requirements for the company as a "quoted company" under the Companies Act.

Compensation of Directors

The table below details compensation paid or payable to our directors during the financial year ended June 30, 2020, and in the case of Messrs. Cotterell and Thurston, our executive directors, reflects the compensation paid for services as members of our senior management.

£000s		Salary and fees	Benefits[1]	Pension	Bonus[2]	Multi-year variable[3],[4],[5]	Total	Total fixed comp	Total variable compensation
Executive Directors									
John Cotterell	2020	350	13	53	331	1,997	**2,744**	416	**2,328**
Mark Thurston	2020	225	10	18	147	3,147	**3,547**	253	**3,294**
Non-Executive Directors									
Trevor Smith	2020	60	—	—	—	172	**232**	60	**172**
Andrew Allan	2020	55	—	—	—	172	**227**	55	**172**
Ben Druskin[6]	2020	56	—	—	—	172	**228**	56	**172**
Mike Kinton	2020	55	—	—	—	172	**227**	55	**172**
David Pattillo[6]	2020	61	—	—	—	172	**233**	61	**172**
Sulina Connal	2020	42	—	—	—	127	**169**	42	**127**

(1) Messrs. Cotterell and Thurston receive a car allowance of £10,000 and £7,500 respectively, and also receive medical insurance, life assurance and income protection.

(2) Messrs. Cotterell and Thurston received the maximum bonus for the fiscal year ended June 30, 2020 in line with the remuneration policy of £300,000 and £140,000 respectively. The additional bonus amount paid and reflected in the table above is in relation to the one-off special Employee Benefit Trust cash bonus paid to all eligible employees. See "-2020 annual bonus earned" for additional information.

(3) For Mark Thurston and the Non-Executive Directors, the value of LTIP awards vesting based on performance up to June 30, 2020. Performance conditions were satisfied in full. For the purpose of this table, awards have been valued using a three-month average share price up to June 30, 2020 of £35.80.

(4) For the Executive Directors, including the value of EIP awards granted on July 31, 2019, of which 100% qualifies for vesting based on performance up to June 30, 2020. These awards will vest in four equal tranches as described below. For the purpose of this table, awards have been valued using a three-month average share price up to June 30, 2020 of £35.80.

(5) For the Non-Executive Directors, including the value of RSU awards granted on January 30, 2020. For the purpose of this table, awards have been valued using the share price at grant of £35.57.

(6) For the two Non-Executive Directors based in the US, annual fees for 2020 have been converted to GBP using an exchange rate of 1:1.2606, being the average exchange rate over the 2020 financial year.

Non-Executive Director Service Agreements

We engage independent directors using standard terms as set out in our template letter of appointment. Independent directors are engaged from the commencement date of the letter of appointment for an initial term, until the conclusion of our next annual general meeting. Under the service agreements, Messrs. Allan and Kinton are entitled to receive an annual fee of £55,000, Mr. Smith is entitled to receive an annual fee of £60,000, Mr. Druskin is entitled to receive an annual fee of $70,000, and Mr. Pattillo is entitled to receive an annual fee of $77,000, in each case inclusive of fees payable for all duties. Our independent directors are generally entitled to receive restricted share units for each term of their engagement, at the remuneration committee's sole discretion. Following termination of their appointment, independent directors are subject to a six-month non-competition restrictive covenant, a 12-month non-poach restrictive covenant and a 12-month non-solicitation restrictive covenant and are not eligible to receive benefits upon termination.

Compensation of Executive Officers

For the fiscal year ended June 30, 2020, the aggregate compensation granted, accrued or paid to our non-director, executive officers for services in all capacities was £3.4 million. We do not set aside or accrue amounts to provide pension, retirement or similar benefits to members of our board of directors or executive officers.

Executive Service Agreements

We engage executive officers using standard terms as set out in our executive service agreement. This agreement entitles the executive officer to receive an annual base salary, which is inclusive of any director's fees payable to the executive officer. This agreement also entitles the executive officer to participate in a bonus scheme, the amount of any such bonus to be determined at the remuneration committee's sole discretion. This agreement also entitles the executive officer to participate in our equity incentive plans, the amount of such equity participation and any associated performance targets to be determined at the remuneration committee's sole discretion. We also contribute a certain percentage of the executive officer's basic salary to a group personal pension scheme. The executive officer is entitled to a number of additional benefits, including death in service life insurance, private health insurance, permanent health insurance and a car allowance.

This agreement may be terminated by either party giving the other either six to 12 months' notice in writing. We reserve the right to place the executive officer on garden leave at any time after notice has been given by either party, and to pay in lieu of notice. We may terminate the agreement without notice or payment in lieu of notice in certain circumstances as a result of the executive officer's behavior or conduct, including for example, repeated breach of the service agreement after warning from us, dishonesty, gross misconduct or willful neglect in the discharge of their duties under the service agreement. On termination of this agreement, the executive officer is required to resign from our board of directors.

This agreement contains standard intellectual property and confidentiality provisions, which survive termination. This agreement also contains a power of attorney by which the executive officer appoints each of our directors as attorney with authority to execute documents in relation to the assignment of intellectual property rights, and execute documents to make the executive officer's resignation from our board of directors effective.

This agreement contains a six-month non-competition restrictive covenant, a 12-month non-poach restrictive covenant and a 12-month non-solicitation restrictive covenant, which may be reduced by any time spent on garden leave.

2020 Annual Bonus

Annual bonuses for 2020 were subject to single performance measure with a revenue underpin, as described below. No bonus is payable unless a threshold level of performance was achieved, and furthermore no bonus was payable unless the Company achieved a threshold level of revenue of £350m. Payout levels are measured on a straight-line basis based on the outcome for Adjusted PBT between threshold and maximum.

		Threshold	Maximum	Actual
Adjusted PBT for FY2020	(£ in millions)	£59.5	£66.0	£68.6
Payout	% of max	50%	100%	100%

Both the revenue target and maximum PBT target were exceeded during the year, accordingly 100% of the bonus was payable (£300,000 and £140,000 to John Cotterell and Mark Thurston respectively).

For the fiscal year ended June 30, 2020, the aggregate amounts expected to be paid at the end of September 2020 to our non-director, executive officers under the Executive Bonus scheme is £0.4 million.

Outstanding Equity Awards, Grants and Option Exercises

Performance Share Units

Awards of Performance Share Units (PSUs) were made under the EIP to the Executive Directors on July 31, 2019, which were subject to a performance measure as described below. If the performance condition is satisfied, awards vest in four equal tranches commencing October 31, 2020 and each year for three years thereafter.

Participant	Number of awards	Share price on date of grant[(1)]	Face value[(2)]	Date of grant	Date of vesting
John Cotterell	55,788	£29.47	£1,644,072	July 31, 2019	Oct 31, 2020 to Oct 31, 2023
Mark Thurston	27,894	£29.47	£822,036	July 31, 2019	Oct 31, 2020 to Oct 31, 2023

(1) Based on the share price of $35.85 converted to GBP on the date of grant.
(2) Based on the share price of $35.85 converted to GBP on the date of grant and multiplied by the number of shares under award.

Although eligible to participate, the Executive Directors did not elect to re-enroll in the Company's Sharesave plan when it was relaunched in 2019.

PSU awards made on July 31, 2019 under the EIP were subject to a single performance measure with a revenue underpin measured over the 2020 financial year, as described below. No awards would vest unless a threshold level of PBT performance was achieved, and furthermore no awards would vest unless the Company achieved a threshold level of revenue of £350m. Vesting is measured on a straight-line basis between threshold and maximum.

		Threshold	Maximum	Actual
Adjusted PBT for FY2020	£m	£60	£66	£69
Payout	% of max	50%	100%	100%

Both the revenue threshold and maximum PBT target were achieved during the year, and accordingly 100% of these awards will vest. The first tranche of the PSU awards will vest on October 31, 2020, with the remaining three tranches vesting on the October 31 in the three following years.

The third tranche of LTIP awards made to Mark Thurston (relating to previously banked awards under the LTIP), accounting for 40% of the total award, vested on July 27, 2020. The remaining award relating to FY2020 performance will vest in early September. The outstanding award for the Non-Executive Directors under the Company's legacy LTIP granted in August 2017 vested on August 16, 2020**.**

Restricted Share Units

Awards of Restricted Share Units (RSUs) were made under the EIP to the Non-Executive Directors on January 30, 2020. Awards vest subject to the participant remaining in service to the Company for the duration of the Appointment

Period, which is the period of time from the participant's appointment at the Company's Annual General Meeting of Shareholders ("AGM") to the next AGM the following year.

Participant	Number of awards	Share price on date of grant[1]	Face value[2]	Date of grant	Date of vesting[3]
Trevor Smith	3,563	£35.57	£126,736	January 30, 2020	December 7, 2020
Andrew Allan	3,563	£35.57	£126,736	January 30, 2020	December 7, 2020
Ben Druskin	3,563	£35.57	£126,736	January 30, 2020	December 7, 2020
Mike Kinton	3,563	£35.57	£126,736	January 30, 2020	December 7, 2020
David Pattillo	3,563	£35.57	£126,736	January 30, 2020	December 7, 2020
Sulina Connal	3,563	£35.57	£126,736	January 30, 2020	December 7, 2020

(1) Based on the share price of $46.30 converted to GBP on the date of grant.
(2) Based on the share price of $46.30 converted to GBP on the date of grant and multiplied by the number of shares under award.
(3) Awards vest on October 31, 2020 or, if later, the date of the 2020 AGM (actual date to be confirmed), and will therefore vest (provisionally) on December 7, 2020.

Executive Directors' Share Awards Outstanding at the 2020 Financial Year End

Award type	Held at June 30, 2019	Granted in year	Lapsed in year	Exercised in year	Held at June 30, 2020	Date of grant	Exercise price	Market price on exercise date[1]	Date from which exercisable	Date of expiry
John Cotterell										
2018 EIP PSU[2]	90,000	—	—	22,500	67,500	July 26, 2018	—	£32.47	[3]	July 26, 2028
2019 EIP PSU[4]	—	55,788	—	—	55,788	July 31, 2019	—	—	[5]	July 31, 2029
Mark Thurston										
LTIP	100,000	—	—	40,000	60,000	July 24, 2015	—	£30.54 & £31.20	[6]	July 26, 2025
EIP PSU[2]	45,000	—	—	11,250	33,750	July 26, 2018	—	£32.47	[3]	July 26, 2028
EIP PSU[4]	—	27,894	—	—	27,894	July 31, 2019	—	—	[5]	July 31, 2029
2018 Sharesave	377	—	—	—	377	October 23, 2018	£25.87	—	December 1, 2021	June 1, 2021

(1) Converted to GBP using the prevailing exchange rate on the date of exercise.

(2) These awards were subject to a PBT performance condition over the 2019 financial year. The performance condition was met in full and as such 100% of this award vested.

(3) Awards vest in four equal tranches from October 31, 2019 to October 31, 2022.

(4) These awards were subject to a PBT performance condition over the 2020 financial year as described above. The performance condition was met in full and as such 100% of this award will be eligible to vest.

(5) Awards vest in four equal tranches from October 31, 2020 to October 31, 2023.

(6) 40% of these LTIP awards were based on PBT performance up to the 2019 financial year. Performance criteria were met in full, and accordingly these awards were exercised in July 2020. The final tranche of these awards will vest in full in November based on performance during the 2020 financial year.

Directors' Current Shareholdings and Interests in Shares

The table below provides details on the Directors' current shareholdings as well as their interests in outstanding share awards as of June 30, 2020.

		Interests in share schemes				
	Unconditionally-owned shares	**EIP**	**LTIP**	**SAYE**	**Total**	**Percentage of salary applicable to share ownership requirement[1]**
Executive Directors						
John Cotterell	9,672,797[2],[3]	123,288	—	—	123,288	109,041%
Mark Thurston	19,716	61,644	60,000[4]	377	122,021	912%
Non-Executive Directors						
Trevor Smith	65,873	3,563	1,250[5]	—	4,813	—
Andrew Allan	463,950[6]	11,063	3,750	—	14,813	—
Ben Druskin	36,875	3,563	3,125	—	6,688	—
Mike Kinton	1,780,293	3,563	1,250[5]	—	4,813	—
David Pattillo	21,375	3,563	3,125	—	6,688	—
Sulina Connal	—	3,563	—	—	3,563	—

(1) This value includes all unconditionally-owned shares, plus the value of outstanding tranches of prior EIP awards that are subject to service conditions only (on a net of tax basis), valued using the share price at the year end of £39.19. Executive Directors are required to build and maintain a shareholding to the value of 200% of salary within five years of appointment. There is no formal policy or guideline regarding Non-Executive Director shareholdings.

(2) Of which 2,000,000 shares are held in trust.

(3) 151,885 Class A ordinary shares were subsequently sold between July 1, 2020 and September 10, 2020.

(4) 40,000 LTIP awards were subsequently exercised on July 27, 2020.

(5) 1,250 LTIP awards were subsequently exercised on August 17, 2020.

(6) Of which, 101,250 shares are held by Mr Allan's spouse, Elaine Allan.

Equity Compensation Arrangements

We have granted options and equity incentive awards under our (1) Endava Share Option Plan, or the Share Option Plan, (2) Joint Share Ownership Plan, or the JSOP, (3) 2015 Long Term Incentive Plan, or the 2015 Plan, (4) Non-Executive Director Long Term Incentive Plan, or the Non-Executive Director Plan, (5) the 2018 Equity Incentive Plan, or the 2018 Plan, (6) the 2018 Non-Employee Sub Plan, the 2018 Sub Plan, (7) the 2018 Sharesave Plan, the Sharesave Plan and (8) 2018 International Sub-Plan, or International Sharesave Plan. We refer to the Share Option Plan, the JSOP, the 2015 Plan, the Non-Executive Director Plan, the 2018 Plan, the 2018 Sub Plan, the Sharesave Plan and International Sharesave Plan together as the Plans. As of June 30, 2020, there were 2,950,068 Class A ordinary shares available for issuance under the Plans, 551,723 of which are held by the EBT. During the year ended June 30, 2020, the EBT sold 980,000 Class A ordinary shares and used the net proceeds to fund a discretionary bonus to our employees.

Share Option Plan

On May 7, 2014, our board of directors adopted the Share Option Plan and, as a schedule to the Share Option Plan, the Endava Approved Share Option Plan, which is intended to qualify as a "company share option plan" that meets the

requirements of Schedule 4 to the Income Tax (Earnings and Pensions) Act 2003, or the CSOP. Options granted under the Share Option Plan have no tax advantages. Options granted under the CSOP are potentially U.K. tax-favored options up to an individual limit of £30,000 calculated by reference to the market value of the shares under option at the date of grant. All of our employees may participate in the Share Option Plan at the discretion of the board of directors. Employees who meet the CSOP legislative requirements may participate in the Share Option Plan at the discretion of the board of directors.

Options granted under the Share Option Plan may have any exercise price, provided that where the exercise of an option is to be satisfied by newly issued shares, the exercise price shall not be less than the nominal value of a share. Options granted under the CSOP must have an exercise price equal to the market value of a share on the date of grant. Options may be granted by the board of directors at any time up to the tenth anniversary of the date of adoption of the Share Option Plan and may not be transferred other than on death to the option holder's personal representative.

The Share Option Plan replaced the Endava Limited Enterprise Management Incentives Plan, under which we previously granted share option awards to our employees. Following the adoption of the Share Option Plan, we no longer grant awards under the Endava Limited Enterprise Management Incentives Plan.

Awards

Options are exercisable in whole or in part at the times and subject to the vesting schedule set forth in the option agreement.

If a participant dies, a personal representative of the participant may exercise any option granted by the company to the participant to the extent set out in the option agreement for a period of twelve months from the date of death, after which the option shall lapse. If a participant ceases employment with the company due to ill health, injury, disability, retirement, the sale of the participant's employer company or undertaking out of the company, the participant may exercise any option granted by the company to the extent set out in the option agreement for a period of three months, after which the option shall lapse.

In the event of any increase or variation of the company's share capital or a rights issue, the board of directors may adjust the number of shares subject to an option and/or the exercise price.

Corporate Transactions

For options granted under the Share Option Plan, if any person obtains control of the company as a result of making a general offer for the whole of the issued ordinary share capital of the company, options may be exercised within 30 days, or such earlier date as the board of directors shall determine, of the change of control or, at the sole discretion of the board of directors, during any period specified by the board of directors ending before the change of control. Alternatively, and with the agreement of the option holder, options may be exchanged for options to acquire shares in the acquiring company.

For options granted under the CSOP, if a person obtains control of the company and in consequence the shares no longer meet the legislative CSOP requirements, options may be exercised no later than 20 days after the change of control. Alternatively, the board of directors may permit the option holders to exercise their options within the period of 20 days prior to the change of control. Alternatively, and with the agreement of the option holder, options may be exchanged for CSOP options over shares in the acquiring company.

If the board of directors considers that a listing of the shares on a stock exchange is likely to occur, the board of directors shall have discretion to permit options to be exercised and to waive any exercise conditions. The board of directors may also require that options may not be exercised until the end of any lock up period or require that some or all of the shares acquired on exercise of these options may not be transferred until the end of any lock up period. Alternatively, the board of directors may require options to continue following a listing of the shares, and the board of directors would have discretion to waive any remaining exercise conditions.

Amendment

The board of directors may amend the Share Option Plan save that no amendment shall take effect that would materially affect the liability of any option holder or which would materially affect the value of his subsisting option without the prior written consent of the option holder. Subject to restrictions in the CSOP legislation, the board of directors may similarly amend the CSOP.

Joint Share Ownership Plan ("the JSOP")

On June 28, 2011, our board of directors adopted the JSOP. Under the JSOP, our executive directors and employees have the ability to acquire shares jointly with the trustees of the EBT, which operates in conjunction with the JSOP. The beneficiaries of the EBT are our employees, including former employees, and executive directors. The trustee of the EBT is Equiom (Guernsey) Limited, or the Trustee, which is an independent trustee. Awards under the JSOP are documented in individual JSOP agreements executed as deeds by the relevant participant, the Trustee and the company.

Awards

Participants in the JSOP hold a restricted beneficial interest in a specified number of shares, or the JSOP Shares. A participant has the right to the future increase in value of those JSOP Shares above an agreed threshold amount. The Trustee is the legal owner of the JSOP Shares. The Trustee and the participant hold their beneficial interests in the JSOP Shares in specified proportions.

Neither the Trustee nor the participant can transfer their interest in the JSOP Shares without the consent of the other. The JSOP Shares can only be transferred or disposed of or dealt with in accordance with the terms of the JSOP agreement.

The JSOP Shares shall include any other shares or securities that may be acquired in addition to, or in place of, such shares as a result of any variation in the share capital of the company, other than as a result of a rights issue. In the event of a rights issue in respect of the JSOP Shares, the Trustee shall notify the participant and they may agree between themselves in writing that the Trustee shall contribute funds (some or all of which may come from the participant) sufficient to take up the rights and the shares received shall not form part of the JSOP Shares, but shall be held by the Trustee for the Trustee and the participant in proportion to the funds contributed by the Trustee and the participant to fund the take up of the rights. In the absence of such agreement, the Trustee shall sell sufficient of the rights (nil paid) to fund the exercise of the balance of the rights.

The participant and the Trustee may agree between themselves how to exercise votes attaching to the JSOP Shares.

Dividends on JSOP Shares are paid and belong to the Trustee unless the Trustee agrees with the company to waive such dividends.

Corporate Transactions

Certain events terminate the joint ownership arrangement with the Trustee, including (a) a sale of the company; (b) following a listing on a recognized stock exchange, such as our initial public offering, when the participant gives a specific notice to the Trustee and the company in respect of the JSOP Shares; (c) the expiry of 25 years from the date of the applicable trust deed; and (d) the participant leaving employment with the company when the market value of the JSOP Shares is less than the threshold amount. We refer to these events as "Trigger Events."

On the date of a Trigger Event, the Trustee has an option to acquire the beneficial interest belonging to the participant. If the Trustee exercises this option, the Trustee will then either transfer shares of a value equal or pay cash to the participant in an amount equal to the value of the option, calculated according to the terms of the JSOP. On and from the date of any Trigger Event, and if and for so long as the Trustee has not exercised the option referred to above, the Trustee will use reasonable endeavors to sell the JSOP Shares and distribute the net proceeds of sale between the Trustee and the participant in the proportions calculated according to the terms of the JSOP.

Amendment

The board of directors, with the consent of the Trustee, may make certain amendments to the JSOP agreement that it considers necessary or appropriate to benefit the administration of the JSOP, to take account of a change in legislation or regulatory law or relevant accounting practice or principles or to obtain or maintain favorable tax, exchange control or regulatory treatment for the participant, the Trustee or any member of the company.

No alteration may be made that would materially increase the liability of the participant, the Trustee or the company or materially increase or decrease the value of the JSOP Shares, without the approval of the person concerned.

2015 Long Term Incentive Plan ("the 2015 Plan")

On June 30, 2015, our board of directors adopted the 2015 Plan. Awards under the 2015 Plan may be in the form of a conditional right to acquire shares at no cost to the participant, or a Conditional Share Award, or an option to acquire shares with an exercise price which may be zero.

The aggregate number of shares over which 2015 Plan awards can be made is limited to such amounts as agreed by shareholders from time to time. The aggregate number of shares approved by shareholders as at the date of adoption of the 2015 Plan was 1,000,000.

Employees of the company may participate in the 2015 Plan at the discretion of the board of directors. 2015 Plan awards may be granted by the board of directors up to the tenth anniversary of adoption of the 2015 Plan or until the date of a listing of the shares and are not capable of transfer other than on death to the employee's personal representative.

Awards

Awards under the 2015 Plan are expressed to "bank" (meaning a 2015 Plan award has become eligible to "vest"). "Vest" means an option can be exercised or, for a Conditional Share Award, shares will be transferred. Vesting occurs on or after an "Exit Event," which includes a sale of all of the shares or all or substantially all of the assets of the company or a listing of the shares on a stock exchange, such as our initial public offering. The board of directors also has power to declare that an Exit Event has occurred such that all of a banked 2015 Plan award, or such proportion as the board of directors shall determine, may vest immediately or on a specified future date, subject to such further conditions as the board of directors may require which may include that an option may lapse if not exercised within a specified period.

Unless otherwise specified by the board of directors at the date 2015 Plan awards are made, 2015 Plan awards bank in five equal tranches based on the satisfaction of performance targets for each financial year, including threshold and target achievement levels.

Between threshold and target achievement levels, the proportion of a tranche that banks is calculated on a straight line basis, with fractional shares rounded down to the nearest whole number. The date of banking is the date the board of directors determines the level of achievement of the applicable performance targets, and the board of directors determines threshold and target achievement levels each year.

The board of directors, in its absolute discretion, may determine that all unbanked 2015 Plan awards bank in full or in part immediately or on a specified future date, subject to such further conditions as the board of directors shall reasonably require.

Upon a variation in the share capital of the company, the number and description of shares subject to 2015 Plan awards and any award/exercise price will be adjusted proportionately.

If the holder of a 2015 Plan award ceases employment with the company, no further banking of his 2015 Plan award will occur and the award will lapse, except that upon death or where the individual is a "Good Leaver," only his unbanked 2015 Plan award would lapse, and his banked awards would vest and be exercisable during the period of six months after the date of cessation of employment or six months after the date of leaving (if later), or during the period of 12 months on death. "Good Leaver" is defined to include cessation of employment by reason of injury, ill health,

disability, retirement, his employing company or undertaking being sold out of the company or cessation of employment in any other circumstances if the board of directors so decides.

Corporate Transactions

Where the Exit Event is a sale of the company, the board of directors may at its discretion determine that all or a proportion of unbanked 2015 Plan awards will bank. Banked 2015 Plan awards will vest on the date of the change of control and the board of directors may impose a condition that any proceeds of disposal of the shares shall be subject to deferral on such terms as are intended to be consistent with the vesting schedule specified in the 2015 Plan award certificate. An option that vests in these circumstances may be exercised within 30 days of the change of control or such longer period as determined by the board of directors and shall lapse at the end of such period unless the board of directors determines otherwise.

The board of directors has power to net settle 2015 Plan awards and 2015 Plan awards may be exchanged for equivalent awards over shares in an acquiring company.

Amendment

The board of directors has power to amend the 2015 Plan, including to adopt sub-plans for the benefit of employees located outside the United Kingdom. Without the prior approval of the company at a general meeting, an amendment may not be made for the benefit of existing or future 2015 Plan award holders relating to the limit on the aggregate number of shares over which 2015 Plan awards may be made or to the 2015 Plan provision regarding amendments.

Non-Executive Director Long Term Incentive Plan (“***Non-Executive Director Plan”)***

On June 21, 2017, our board of directors adopted the Non-Executive Director Plan. The aggregate number of shares over which Non-Executive Director Plan awards can be made is limited to such amounts as agreed by shareholders from time to time.

The Non-Executive Director Plan is similar to the 2015 Plan described above, except that only non-executive directors of the company may participate, and references to employment are replaced with references to continuous service as a non-executive director of the company.

Awards

Unless otherwise specified by the board of directors at the date Non-Executive Director Plan awards are made, the Non-Executive Director Plan award certificate will provide that Non-Executive Director Plan awards will bank in three equal tranches based on continuous service on the anniversaries of the date of award. Unless otherwise specified by the board of directors at the date the Non-Executive Director Plan awards are made, Non-Executive Director Plan awards will vest as follows:

Date	**Level of vesting**	
Date of Exit Event	Banked award x 50%	(A)
1st anniversary of Exit Event	(Cumulative banked awards x 100%) – A	(B)

If the first anniversary of the Exit Event occurs prior to the date the Non-Executive Director Plan award will become banked, the Non-Executive Director Plan award will continue to bank in accordance with the Non-Executive Director Plan rules, and banked Non-Executive Director Plan awards not previously vested will vest on the date of banking. Cumulative banked Non-Executive Director Plan awards will take account of all Non-Executive Director Plan awards banked on or before the relevant vesting date.

2018 Equity Incentive Plan (“the 2018 Plan”)

The 2018 Plan was adopted by our board of directors on April 16, 2018 and approved by our shareholders on May 3, 2018. The 2018 Plan allows for the grant of equity-based incentive awards to our employees, including employees who also serve as our directors. The material terms of the 2018 Plan are summarized below:

Eligibility and Administration

Our employees and directors, who are also our employees, and employees and consultants of our subsidiaries, referred to as service providers are eligible to receive awards under the 2018 Plan. The 2018 Plan is administered by our board of directors, which may delegate its duties and responsibilities to one or more committees of our directors and/or officers (referred to as the plan administrator below), subject to certain limitations imposed under the 2018 Plan, and other applicable laws and stock exchange rules. The plan administrator has the authority to take all actions and make all determinations under the 2018 Plan, to interpret the 2018 Plan and award agreements and to adopt, amend and repeal rules for the administration of the 2018 Plan as it deems advisable. The plan administrator also has the authority to determine which eligible service providers receive awards, grant awards, set the terms and conditions of all awards under the 2018 Plan, including any vesting and vesting acceleration provisions, subject to the conditions and limitations in the 2018 Plan.

Shares Available for Awards

The maximum number of Class A ordinary shares that may be issued under our 2018 Plan as of June 30, 2020 is 6,119,080 which includes Class A ordinary shares reserved for issuance under our 2018 Non-Employee Sub-Plan described below. No more than 16,050,000 Class A ordinary shares may be issued under the 2018 Plan upon the exercise of incentive share options. In addition, the number of Class A ordinary shares reserved for issuance under our 2018 Plan will automatically increase on January 1 of each year, commencing on January 1, 2019 and ending on (and including) January 1, 2028, in an amount equal to 2% of the total number of shares outstanding on December 31 of the preceding calendar year. Our board may act prior to January 1 of a given year to provide that there will be no increase for such year or that the increase for such year will be a lesser number of Class A ordinary shares. Class A ordinary shares issued under the 2018 Plan may be authorized but unissued shares, shares purchased on the open market or treasury shares.

If an award under the 2018 Plan, including the 2018 Non-Employee Sub-Plan, expires, lapses or is terminated, exchanged for cash, surrendered, repurchased, canceled without having been fully exercised or forfeited, any unused shares subject to the award will, as applicable, become or again be available for new grants under the 2018 Plan. Awards granted under the 2018 Plan in substitution for any options or other equity or equity-based awards granted by an entity before the entity's merger or consolidation with us or our acquisition of the entity's property or stock will not reduce the number of Class A ordinary shares available for grant under the 2018 Plan, but will count against the maximum number of Class A ordinary shares that may be issued upon the exercise of incentive options.

Awards

The 2018 Plan provides for the grant of options, share appreciation rights, or SARs, restricted shares, restricted share units, or RSUs, performance restricted share units, or PSUs, and other share-based awards. All awards under the 2018 Plan will be set forth in award agreements, which will detail the terms and conditions of awards, including any applicable vesting and payment terms, change of control provisions and post-termination exercise limitations. A brief description of each award type follows.

Options and SARs. Options provide for the purchase of our Class A ordinary shares in the future at an exercise price set on the grant date. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The plan administrator will determine the number of shares covered by each option and SAR, the exercise price of each option and SAR and the conditions and limitations applicable to the exercise of each option and SAR.

Restricted Shares, RSUs and PSUs. Restricted shares are an award of nontransferable Class A ordinary shares that remain forfeitable unless and until specified conditions are met and which may be subject to a purchase price. RSUs and PSUs are contractual promises to deliver our Class A ordinary shares in the future, which may also remain forfeitable unless and until specified conditions are met. The plan administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to restricted shares, RSUs and PSUs will be determined by the plan administrator, subject to the conditions and limitations contained in the 2018 Plan.

Other Share-Based Awards. Other share-based awards are awards of fully vested Class A ordinary shares and other awards valued wholly or partially by referring to, or otherwise based on, our Class A ordinary shares or other property. Other share-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of compensation to which a participant is otherwise entitled. The plan administrator will determine the terms and conditions of other share-based awards, which may include any purchase price, performance goal, transfer restrictions and vesting conditions.

Performance Criteria

The plan administrator may select performance criteria for an award to establish performance goals for a performance period.

Certain Transactions

In connection with certain corporate transactions and events affecting our ordinary shares, including a change of control, another similar corporate transaction or event, another unusual or nonrecurring transaction or event affecting us or our financial statements or a change in any applicable laws or accounting principles, the plan administrator has broad discretion to take action under the 2018 Plan to prevent the dilution or enlargement of intended benefits, facilitate the transaction or event or give effect to the change in applicable laws or accounting principles. This includes canceling awards for cash or property, accelerating the vesting of awards, providing for the assumption or substitution of awards by a successor entity, adjusting the number and type of shares subject to outstanding awards and/or with respect to which awards may be granted under the 2018 Plan and replacing or terminating awards under the 2018 Plan. In addition, in the event of certain non-reciprocal transactions with our shareholders, the plan administrator will make equitable adjustments to the 2018 Plan and outstanding awards as it deems appropriate to reflect the transaction.

In the event of a change of control where the successor or acquirer entity does not agree to assume, continue or rollover the awards, the awards will vest in full effective immediately prior to the change of control. Additionally, where a successor or survivor corporation, or a parent or subsidiary, assumes the awards or substitutes them for awards covering their equity securities, with appropriate adjustments, as determined by the plan administrator, and a participant is terminated without cause by us (or our successor or applicable subsidiary thereof) on or within 12 months following the effective date of the change of control, such participant's awards will immediately vest effective on the date of their termination.

Plan Amendment and Termination

Our board of directors may amend or terminate the 2018 Plan at any time; however, no amendment, other than an amendment that increases the number of shares available under the 2018 Plan, may materially and adversely affect an award outstanding under the 2018 Plan without the consent of the affected participant and shareholder approval will be obtained for any amendment to the extent necessary to comply with applicable laws. Further, the plan administrator cannot, without the approval of our shareholders, amend any outstanding option or SAR to reduce its price per share or cancel any outstanding option or SAR in exchange for cash or another award under the 2018 Plan with an exercise price per share that is less than the exercise price per share of the original option or SAR. The 2018 Plan will remain in effect until the tenth anniversary of its effective date unless earlier terminated by our board of directors. No awards may be granted under the 2018 Plan after its termination.

Transferability and Participant Payments

Except as the plan administrator may determine or provide in an award agreement, awards under the 2018 Plan are generally non-transferrable, except by will or the laws of descent and distribution, or, subject to the plan administrator's consent, pursuant to a domestic relations order, and are generally exercisable only by the participant. With regard to tax withholding obligations arising in connection with awards under the 2018 Plan, and exercise price obligations arising in connection with the exercise of options under the 2018 Plan, the plan administrator may, in its discretion, accept cash, wire transfer or cheque, our ordinary shares that meet specified conditions, a promissory note, a "market sell order," such other consideration as the plan administrator deems suitable or any combination of the foregoing.

Non-U.S. Participants

The plan administrator may modify awards granted to participants who are non-U.S. nationals or employed outside the United States or establish sub-plans or procedures to address differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters.

2018 Non-Employee Sub Plan

The 2018 Non-Employee Sub Plan was adopted by our board of directors on April 16, 2018 and approved by our shareholders on May 3, 2018. The 2018 Non-Employee Sub Plan governs equity awards granted to our non-employee directors, consultants, advisers and other non-employee service providers. The 2018 Non-Employee Sub Plan was adopted under the 2018 Plan and provides for awards to be made on identical terms to awards made under our 2018 Plan.

2018 Sharesave Plan ("the Sharesave Plan")

The Sharesave Plan was adopted by our board of directors on April 16, 2018 and approved by our shareholders on May 3, 2018. The Sharesave Plan is a U.K. tax advantaged share option plan and is intended to comply with the requirements of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003, or Schedule 3. The Sharesave Plan may be extended to award similar benefits to employees outside the U.K. The material terms of the Sharesave Plan are summarized below:

Shares available for options

The maximum number of Class A ordinary shares that may be issued under our Sharesave Plan as of June 30, 2020 is 4,061,837 Class A ordinary shares, which includes Class A ordinary shares reserved for issuance under any overseas plan described below. In addition, the number of Class A ordinary shares reserved for issuance under our Sharesave Plan will automatically increase on January 1 of each year, commencing on January 1, 2019 and ending on (and including) January 1, 2028, in an amount equal to 2% of the total number of shares outstanding on December 31 of the preceding calendar year. Our board of directors may act prior to January 1 of a given year to provide that there will be no increase for such year or that the increase for such year will be a lesser number of Class A ordinary shares.

Eligibility and participation

The Sharesave Plan provides that our employees and full-time directors who are U.K. resident taxpayers are eligible to participate. The board of directors may at its discretion extend participation under the Sharesave Plan to other employees and directors who do not meet these requirements. The Sharesave Plan provides that the board may require employees to have completed a qualifying period of employment (of up to five years) before they may apply for the grant of an option to purchase Class A ordinary shares.

Participation in the Sharesave Plan requires employees to agree to make regular monthly contributions to an approved savings contract of three or five years (or such other period permitted by the governing legislation). Subject to the following limits, the board of directors will determine the maximum amount that an employee may contribute under a savings contract linked to options to purchase Class A ordinary shares granted under the Sharesave Plan. Monthly savings by an employee under the Sharesave Plan and all savings contracts linked to options granted under any Schedule 3 tax-advantaged scheme may not exceed the statutory maximum (currently £500 per month in aggregate).The number of Class A ordinary shares over which an option is granted will be such that the total option price payable for these shares will normally correspond to the proceeds on maturity of the related savings contract.

No options to purchase Class A ordinary shares may be granted under the Sharesave Plan more than 10 years after the Sharesave Plan has been approved by shareholders.

The option price per Class A ordinary share under the Sharesave Plan will be the market value of a Class A ordinary share when options to purchase Class A ordinary shares are granted under the Sharesave Plan less a discount of up to 20%, or such other maximum discount permitted under the governing legislation.

Exercise and lapse of options

Options granted under the Sharesave Plan will normally be exercisable for a six-month period from the end of the relevant three or five year savings contract. Any options not exercised within the relevant exercise period will lapse.

An option may be exercised before the end of the relevant savings period, for a limited period, on the death of a participant or on his or her ceasing to hold office or employment with Endava by reason of injury, disability, redundancy, retirement, the sale or transfer out of the group of his or her employing company or business, their employer ceasing to be an associated company or for any other reason (provided in such case the option was granted more than three years previously).

Options are not assignable or transferable.

Certain transactions

Rights to exercise options early for a limited period also arise if another company acquires control of Endava as a result of a takeover or upon a scheme of arrangement or becomes bound or entitled to acquire shares under the compulsory acquisition provisions. An option may be exchanged for an option over shares in the acquiring company if the participant so wishes and the acquiring company agrees.

In the event of any variation in our share capital, the board of directors may make such adjustment as it considers appropriate to the number of Class A ordinary shares under option and/or the price payable on the exercise of an option.

2018 Sharesave Plan amendment

Our board of directors may, at any time, amend the provisions of the Sharesave Plan in any respect, provided that the prior approval of shareholders is obtained for any amendments that are to the material disadvantage of participants in respect of the rules governing eligibility, limits on participation, the overall limits on the issue of shares or the transfer of treasury shares, the basis for determining a participant's entitlement to, and the terms of, the shares to be acquired and the adjustment of options.

2018 International Sub-Plan

The 2018 International Sub-Plan was adopted by our board of directors on October 24, 2018. The 2018 International Sub Plan is similar to the 2018 Sharesave Plan but modified to take account of local tax, exchange control or securities laws, regulation or practice. Class A ordinary shares made available under the 2018 International Sub Plan will count against the limit on the number of new Class A ordinary shares that may be issued under the 2018 Sharesave Plan.

Insurance and Indemnification

To the extent permitted by the Companies Act, we are empowered to indemnify our directors against any liability they incur by reason of their directorship. We maintain directors' and officers' insurance to insure such persons against certain liabilities and have entered into a deed of indemnity with each of our directors and executive officers.

Insofar as indemnification of liabilities arising under the Securities Act may be permitted to our board of directors, executive officers, or persons controlling us pursuant to the foregoing provisions, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

C. Board Practices

Composition of our Board of Directors

Our board of directors currently consists of eight members. Our board of directors has determined that six of our eight directors, Andrew Allan, Sulina Connal, Ben Druskin, Mike Kinton, David Pattillo and Trevor Smith, do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of director and that each of these directors is "independent" as that term is defined under the rules of the New York Stock Exchange. There are no family relationships among any of our directors or senior management.

In accordance with our amended and restated articles of association, each of our directors serves for a term of one year and retires from office at every annual general meeting of shareholders. If at any such meeting the place of a retiring director is not filled, the retiring director shall, if willing to act, be deemed to have been reelected. If it is resolved not to fill such vacated office, or a motion for the re-election of such director shall have been put to the meeting and lost, the director shall not be re-elected unless this would result in the number of directors falling below the minimum number of directors required.

Committees of our Board of Directors

Our board of directors has three standing committees: an audit committee, a remuneration committee and a nomination committee.

Audit Committee

The audit committee, which consists of Messrs. Allan, Pattillo and Smith, assists the board of directors in overseeing our accounting and financial reporting processes and the audits of our financial statements. Mr. Pattillo serves as chairman of the committee. The audit committee consists exclusively of members of our board of directors who are financially literate, and Mr. Pattillo is considered an "audit committee financial expert" as defined by applicable SEC rules. Our board of directors has determined that all of the members of the audit committee satisfy the "independence" requirements set forth in Rule 10A-3 under the Exchange Act. The audit committee is governed by a charter that complies with New York Stock Exchange rules.

The audit committee's responsibilities include:

- evaluating and making recommendations to the board of directors regarding the appointment, compensation, retention and oversight of any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit services;
- approving the audit services and non-audit services to be provided by our independent auditor;
- evaluating the independent auditor's qualifications, performance and independence, and presenting its conclusions to the full board of directors on at least an annual basis;
- reviewing and discussing with the executive officers, the board of directors and the independent auditor our financial statements and our financial reporting process; and
- approving or ratifying any related person transaction (as defined by applicable rules and regulations) in accordance with our applicable policies.

The audit committee meets as often as one or more members of the audit committee deem necessary, but in any event meets at least four times per year. The audit committee meets at least once per year with our independent accountant, without our senior management being present.

Remuneration Committee

The remuneration committee, which consists of Messrs. Allan, Kinton and Smith, assists the board of directors in determining senior management compensation. Mr. Kinton serves as chairman of the committee. Under SEC and New York Stock Exchange rules, there are heightened independence standards for members of the remuneration committee, including a prohibition against the receipt of any compensation from us other than standard board member fees. Although foreign private issuers are not required to meet this heightened standard with respect to all members, we have determined that all members meet this heightened standard.

The remuneration committee's responsibilities include:

- approving, modifying and overseeing our overall compensation strategy and policies;
- reviewing and recommending to the board of directors for approval the type and amount of compensation to be paid or awarded to the members of our board of directors;

- sole responsibility for the appointment, selection, retention, termination and oversight of any compensation consultants and other advisors retained by the remuneration committee;
- reviewing, evaluating and approving all compensatory agreements and arrangements, elements of compensation, and performance goals and objectives related to compensation of our senior management, including our chief executive officer;
- reviewing and approving the goals and objectives of our senior management, including our chief executive officer, and evaluating their performance in light of relevant performance goals and objectives;
- having the full power and authority of our board of directors to adopt, amend, terminate and administer our equity awards, pension, and profit sharing plans, bonus plans, benefit plans and similar programs; and
- reviewing and assessing risks arising from our compensation policies and practices.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee, which consists of Messrs. Allan, Kinton, Druskin and Smith, assists our board of directors in identifying individuals qualified to become members of our board of directors consistent with criteria established by our board of directors and in developing our corporate governance principles. Mr. Smith serves as chairman of the committee.

The nominating and corporate governance committee's responsibilities include:

- identifying and evaluating candidates to serve on our board of directors, including nomination of incumbent directors for reelection;
- reviewing and evaluating the size and composition of our board of directors;
- recommending nominees for election to our board of directors and its corresponding committees;
- overseeing the evaluation and periodically reviewing the performance of the board of directors and management, including committees of the board of directors, and reporting the results of such assessment to the board of directors;
- assisting the board of directors in overseeing our corporate governance functions, including developing, updating and recommending to the board of directors corporate governance principles; and
- periodically reviewing with our chief executive officer the succession plans for our executive officers and making recommendations to our board of directors with respect to the selection of appropriate individuals to succeed to these positions.

D. Employees

As of June 30, 2020, 2019 and 2018, we had 6,624, 5,754 and 4,819 employees (including directors), respectively. We have collective bargaining agreements with our employees in Romania. We believe our employee relations are good and we have not experienced any work stoppages. With respect to the ongoing COVID-19 pandemic, and its impact on our business, our priorities have been the health and well-being of our people and the protection of the jobs and incomes of our people. We rapidly moved to a work-from-home model, with almost 100% of our employees able to work from home, and we took efforts to provide office environments that minimized the risk of exposure for the small number who needed to attend an office. These efforts kept our employees healthy while we executed our business continuity plans, with minimal disruption to productivity.

At each date shown, we had the following employees (including directors), broken out by department and geography:

	As of June 30,		
	2020	**2019**	**2018**
Function:			
Employees involved in delivery of our services	5,969	5,197	4,368
Selling, general and administrative	655	557	451
Total	**6,624**	**5,754**	**4,819**
Geography:			
Western Europe[(1)]	448	254	232
Central Europe - EU Countries	3,368	3,062	2,578
Sub-total: EU Countries (Western & Central Europe)	3,816	3,316	2,810
Central Europe - Non-EU Countries	1,810	1,583	1,279
Latin America	895	780	665
North America	103	75	65
Total	**6,624**	**5,754**	**4,819**

(1) The increase from 2019 to 2020 in Western Europe headcount includes 25 employees in the United Kingdom acquired in connection with our acquisition of Intuitus, in November 2019 and 156 employees in Germany and Austria acquired in connection with our acquisition of Exozet, in December 2019.

E. Share Ownership.

For information regarding the share ownership of our directors and executive officers, see "Item 6.B.—Compensation—Outstanding Equity Awards, Grants and Option Exercises" and "Item 7.A—Major Shareholders."

Item 7. Major Shareholders and Related Party Transactions

A. *Major Shareholders.*

The following table sets forth the beneficial ownership of our shares as of August 15, 2020:

- each person, or group of affiliated persons, who is known by us to beneficially own 5% or more of our Class A ordinary shares;
- each person, or group of affiliated persons, who is known by us to beneficially own 5% or more of our Class B ordinary shares;
- each person, or group of affiliated persons, who is known by us to beneficially own 5% or more of our Class A ordinary shares and Class B ordinary shares in the aggregate;

- each of our executive officers;
- each of our directors; and
- all of our executive officers and directors as a group.

The percentage ownership and voting power information shown in the table is based upon 34,497,817 Class A ordinary shares and 20,455,733 Class B ordinary shares outstanding as of August 15, 2020.

We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. In addition, the rules include ordinary shares issuable pursuant to the vesting of restricted stock units and the exercise of share options that are either immediately exercisable or exercisable on or before October 14, 2020, which is 60 days after August 15, 2020. These shares are deemed to be outstanding and beneficially owned by the person holding those options for the purpose of computing the percentage ownership of that person, but they are not treated as outstanding for the purpose of computing the percentage ownership of any other person. In addition, the total number of Class A ordinary shares in the table below does not give effect to the potential conversion of any Class B ordinary shares into Class A ordinary shares. See the section entitled "Key Provisions in our Articles of Association-Shares and Rights Attaching to Them-Share Conversion" and "Key Provisions in our Articles of Association-Shares and Rights Attaching to Them-Restrictions on Transfer" in Exhibit 2.3(a) to this Annual Report on Form 20-F (Description of Share Capital) for a discussion of the entitlement of holders of Class B ordinary shares to convert them into Class A ordinary shares and limitations on such entitlement. The information contained in the following table is not necessarily indicative of beneficial ownership for any other purpose, and the inclusion of any shares in the table does not constitute an admission of beneficial ownership of those shares. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

Except as otherwise noted below, the address for persons listed in the table is c/o Endava plc, 125 Old Broad Street, London EC2N 1AR, United Kingdom.

	Class A Ordinary Shares Beneficially Owned		Class B Ordinary Shares Beneficially Owned		Total Voting Power †
	Shares	%	Shares	%	%
Name of Beneficial Owner					
5% or Greater Shareholders					
Alex Day (1)	512,941	1.5	2,051,766	10	8.8
Goran Stevanovic (2)	—	—	1,662,500	8.1	7.0
BAMCO Inc./Ronald Baron/Baron Capital Group, Inc. (3)	2,036,006	5.9	—	—	*
FMR LLC (4)	1,914,830	5.6	—	—	*
T. Rowe Price Associates, Inc. and related entities (5)	2,072,716	6.0	—	—	*
Executive Officers and Directors:					
John Cotterell (6)	172,797	*	9,500,000	46.4	39.8
Mark Thurston (7)	29,917	*	4,250	*	*
Rohit Bhoothalingam (8)	—	—	—	—	—
Rob Machin (9)	56,534	*	336,801	1.6	1.4
Julian Bull (10)	105,697	*	691,805	3.4	2.9
Andrew Allan (11)	101,875	*	362,700	1.8	1.6
Sulina Connal (12)	—	—	—	—	—
Ben Druskin (13)	25,500	*	11,375	*	*
Michael Kinton (14)	4,407	*	1,777,793	8.7	7.4
David Pattillo (15)	10,000	*	11,375	*	*
Trevor Smith (16)	9,243	*	61,375	*	*
All current executive officers and directors as a group (10 persons) (17)	515,970	1.5	12,757,474	62.4	53.6

* Represents beneficial ownership of less than 1%.

† Represents the voting power with respect to all of our Class A ordinary shares and Class B ordinary shares, voting as a single class. Each Class A ordinary share is entitled to one vote per share and each Class B ordinary share is entitled to 10 votes per share. The Class A ordinary shares and Class B ordinary shares will vote together on all matters (including the election of directors) submitted to a vote of shareholders. Excludes any shares issuable upon exercise of vested options within 60 days of August 15, 2020.

(1) Excludes (1) 4,688 Class A ordinary shares issuable under the 2018 Equity Incentive Plan (the "2018 Plan") and (2) 723 Class A ordinary shares issuable under the 2018 Sharesave Plan (the "Sharesave Plan"), none of which are issuable within 60 days of August 15, 2020.

(2) Excludes (1) 6,842 Class A ordinary shares issuable under the 2018 Plan and (2) 723 Class A ordinary shares issuable under the Sharesave Plan, none of which are issuable within 60 days of August 15, 2020. Does not give effect to the conversion of 665,000 Class B ordinary shares that may be converted by Mr. Stevanovic into Class A Shares within 60 days of August 15, 2020.

(3) Based solely on a Schedule 13G/A filed on July 10, 2020. Consists of ADSs representing Class A ordinary shares held of record by BAMCO Inc., Baron Capital Group, Inc. and Ronald Baron, who have shared voting power and shared dispositive power over the shares. BAMCO Inc. ("BAMCO") and Baron Capital Management, Inc. ("BCM") are subsidiaries of Baron Capital Group, Inc. ("BCG") and Ronald Baron owns a controlling interest in BCG. The principal business address for each of BAMCO, BCM, BCG and Ronald Baron is 767 Fifth Avenue, 49th Floor, New York, NY 10153.

(4) Based solely on a Schedule 13G/A filed on August 10, 2020 by FMR LLC. Consists of ADSs representing Class A ordinary shares. According to the filing, FMR LLC has (i) sole voting power with respect to 42,817 shares and (ii) sole dispositive power with respect to all the shares. Abigail P. Johnson is Director, Chairman and Chief Executive Officer of FMR LLC, and a member of the Johnson family, who through their ownership of voting common shares and the execution of a shareholders'

voting agreement with respect to FMR LLC, may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC. Neither FMR LLC nor Abigail P. Johnson has the sole power to vote or direct the voting of the shares owned directly by the various investment companies registered under the Investment Company Act ("Fidelity Funds") advised by Fidelity Management & Research Company LLC ("FMR Co. LLC"), a wholly owned subsidiary of FMR LLC, which power resides with the Fidelity Funds' Boards of Trustees. FMR Co. LLC carries out the voting of the shares under written guidelines established by the Fidelity Funds' Boards of Trustees. The address of FMR LLC is 245 Summer Street, Boston, Massachusetts, 02210.

(5) Based solely on a Schedule 13G/A filed on February 14, 2020. Consists of ADSs representing Class A ordinary shares. According to the filing, T. Rowe Price Associates, Inc. ("Price Associates") has (i) sole voting power over 409,579 shares and sole dispositive power over (ii) 2,072,716 shares, and T. Rowe Price New Horizons Fund, Inc. ("New Horizons Fund") has sole voting power over 1,116,614 shares. The address of Price Associates and New Horizons Fund is 100 E. Pratt Street, Baltimore, MD 21202.

(6) Consists of (1) 7,500,000 Class B ordinary shares held directly by Mr. Cotterell and (2) 2,000,000 Class B ordinary shares held in a trust of which Mr. Cotterell is a trustee. Excludes 123,288 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020. Does not give effect to the conversion of 3,565,115 Class B ordinary shares that may be converted by Mr. Cotterell into Class A ordinary shares within 60 days of August 15, 2020.

(7) Excludes (1) 20,000 Class A ordinary shares held in trust on behalf of Mr. Thurston by the Endava Limited Guernsey Employee Benefit Trust (the "EBT") pursuant to the 2015 Long Term Incentive Plan ("the 2015 Plan"), (2) 61,644 Class A ordinary shares issuable under the 2018 Plan and (3) 377 Class A ordinary shares issuable under the Sharesave Plan, none of which are issuable within 60 days of August 15, 2020. See "Management-Equity Compensation Arrangements-Endava Limited 2015 Long Term Incentive Plan" for a description of the 2015 Plan. Does not give effect to the conversion of 1,700 Class B ordinary shares that may be converted by Mr. Thurston into Class A ordinary shares within 60 days of August 15, 2020.

(8) Excludes (1) 16,510 Class A ordinary shares issuable under the 2018 Plan and (2) 564 Class A ordinary shares issuable under the Sharesave Plan, none of which are issuable within 60 days of August 15, 2020.

(9) Excludes (1) 49,315 Class A ordinary shares issuable under the 2018 Plan and (2) 723 Class A ordinary shares issuable under the Sharesave Plan, none of which are issuable within 60 days of August 15, 2020.

(10) Excludes 49,315 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020.

(11) Excludes (1) 3,125 Class A ordinary shares issuable under the Non-Executive Director Long Term Incentive Plan (the "Non-Executive Director Plan") and (2) 11,063 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020. Includes (1) 625 Class A ordinary shares issuable upon exercise of vested options within 60 days of August 15, 2020 and (2) 101,250 Class A ordinary shares held by Mr. Allan's spouse. Does not give effect to the conversion of 115,080 Class B ordinary shares that may be converted by Mr. Allan into Class A ordinary shares within 60 days of August 15, 2020.

(12) Excludes 3,563 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020.

(13) Excludes (1) 3,125 Class A ordinary shares issuable under the Non-Executive Director Plan and (2) 3,563 Class A ordinary shares issuable under the 2018 Plan none of which are issuable within 60 days of August 15, 2020. Does not give effect to the conversion of 4,550 Class B ordinary shares that may be converted by Mr. Druskin into Class A ordinary shares within 60 days of August 15, 2020.

(14) Excludes 3,563 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020. Includes (1) 657 ADSs, (2) 2,500 Class A ordinary shares and (3) 1,250 Class A ordinary shares issuable upon exercise of vested options within 60 days of August 15, 2020. Does not give effect to the conversion of 295,559 Class B ordinary shares that may be converted by Mr. Kinton into Class A ordinary shares within 60 days of August 15, 2020.

(15) Excludes (1) 3,125 Class A ordinary shares issuable under the Non-Executive Director Plan and (2) 3,563 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020. Does not give effect to the conversion of 4,550 Class B ordinary shares that may be converted by Mr. Pattillo into Class A Shares within 60 days of August 15, 2020.

(16) Excludes 3,563 Class A ordinary shares issuable under the 2018 Plan, none of which are issuable within 60 days of August 15, 2020. Includes (1) 2,655 ADSs, (2) 5,338 Class A ordinary shares and (3) 1,250 Class A ordinary shares issuable upon exercise of vested options within 60 days of August 15, 2020. Does not give effect to the conversion of 24,550 Class B ordinary shares that may be converted by Mr. Smith into Class A ordinary shares within 60 days of August 15, 2020.

(17) Excludes (1) 20,000 Class A ordinary shares held in trust by the Employee Benefit Trust pursuant to the 2015 Plan, (2) 9,375 Class A ordinary shares issuable under the Non-Executive Director Plan, (3) 328,950 Class A ordinary shares issuable under the 2018 Plan, and (4) 1,664 Class A Shares issuable under the Sharesave Plan, none of which are issuable within 60 days of August 15, 2020. Does not give effect to the conversion of 4,011,104 Class B ordinary shares that may be converted by the holders thereof into Class A ordinary shares within 60 days of August 15, 2020.

The significant changes in the percentage ownership held by our principal shareholders since July 1, 2016 are as a result of the transactions described in the final prospectus related to our IPO dated July 26, 2018, filed with the SEC on July 27, 2018 pursuant to Rule 424(b), under the heading "Certain Relationships and Related Party Transactions," the dilution resulting from, and the end of the lock-up period relating to, our initial public offering and the public offering of our shares by us and certain selling shareholders in April 2019 and conversions of Class B ordinary shares to Class A ordinary shares.

Our Class B ordinary shares have 10 votes per share, and our Class A ordinary shares, which are the shares underlying the ADSs, each have one vote per share.

We are not aware of any arrangement whereby we are directly or indirectly owned or controlled by another corporation, by any foreign government or by any other natural or legal person severally or jointly, not are we aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

Record Holders.

As of August 15, 2020, 54,953,550 of our ordinary shares were issued and outstanding. To our knowledge, approximately 1% of our total outstanding Class A ordinary shares were held by eight record holders in the United States. As of August 15, 2020, to our knowledge, approximately 2% of our outstanding Class B ordinary shares are held by four record holders in the United States. Additionally, approximately 73% of our total outstanding Class A ordinary shares are held by a nominee of the depositary for the ordinary shares underlying our ADSs. The number of beneficial owners of the ADSs in the United States is likely to be much larger than the number of record holders of our ordinary shares in the United States.

B. Related Party Transactions.

Certain Relationships and Related Party Transactions

The following is a summary of transactions since July 1, 2019 to which we have been a participant, and in which any of our then directors, executive officers or holders of more than 5% of any class of our voting securities at the time of such transaction, or any members of their immediate family, had or will have a direct or indirect material interest.

Transactions with the Endava Limited Guernsey Employee Benefit Trust

On June 28, 2011, we established the EBT to operate in conjunction with our JSOP and other incentive arrangements. The beneficiaries of the EBT are our employees, including former employees, and directors. The Trustee is an independent trustee. See "Directors, Senior Management and Employees-Compensation-Joint Share Ownership Plan." As of June 30, 2020, the EBT held 1.5 % of our Class A ordinary shares. The EBT acquires Class A ordinary shares to be held by the Trustee and the applicable beneficiary of the EBT together as tenants in common pursuant to a trust deed. In connection with each acquisition, the applicable beneficiary pays a per share price to the Trustee in cash. Since July 1, 2019 there were no transactions between our executive officers and directors and holders of more than 5% of any class of our share capital and the EBT.

In addition, from time to time we loan funds to the EBT in connection with administration of the JSOP. These transactions are consolidated in our financial statements.

Share Option Grants and Equity Incentive Awards to Directors and Executive Officers

We have granted share options and equity incentive awards to certain of our directors and executive officers. For more information regarding the share options and awards granted to our directors and named executive officers see "Directors, Senior Management and Employees-Compensation."

Indemnity Agreements

We have entered into deeds of indemnity with each of our directors and executive officers. See "Directors, Senior Management and Employees-Compensation-Insurance and Indemnification."

Transactions with Google

Since April 2020, one of our directors, Sulina Connal, is employed by Google as Director of Product Partnerships for News, Web and Publishing for EMEA. In the ordinary course of its business, from time to time Endava enters into agreements for cloud service or other solutions provided by Google in connection with services provided by Endava to its clients. All transactions with Google were entered into on an arms-length basis. For the year ended June 30, 2020, the aggregate cost incurred by Endava to Google for such services was £0.2 million.

Transaction with PaperRound

We have entered into a customer relationship with PaperRound HND Service Ltd., a company in which Mike Kinton, a member of our board of directors, holds a controlling interest and serves as a director. All transactions with PaperRound were entered into on an arms-length basis and in the ordinary course of business. We did not generate revenue from PaperRound in the fiscal year ended June 30, 2020.

Related Person Transaction Policy

Our audit committee has the primary responsibility for reviewing and approving or disapproving related party transactions, which are transactions between us and related persons in which we or a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person is defined as a director, executive officer, nominee for director or greater than 5% beneficial owner of any class of our outstanding securities, in each case since the beginning of the most recently completed year, and their immediate family members. Our audit committee charter provides that the audit committee shall review and approve or disapprove any related party transactions.

D. ***Interests of Experts and Counsel.***

Not applicable.

Item 8. Financial Information

A. ***Consolidated Statements and Other Financial Information.***

Consolidated Financial Statements

Our consolidated financial statements are appended as part of this annual report at the end of this annual report, starting at page F-1.

Legal Proceedings

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are currently party to legal proceedings that, if determined adversely to us, could have an adverse effect on our business, results of operations, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Dividend Distribution Policy

Our dividends are declared at the discretion of our board of directors. We declared an aggregate of £18.2 million in dividends during the fiscal year ended June 30, 2016. We did not pay any dividends in the fiscal years ended June 30, 2017, June 30, 2018, June 30, 2019 and June 30, 2020 and do not anticipate paying any dividends for the foreseeable future. We intend to retain all available funds and any future earnings for use in the operation and expansion of our business. Payment of cash dividends, if any, in the future will be at the discretion of our board of directors in compliance with applicable legal requirements and will depend on a number of factors, including future earnings, our financial condition, operating results, contractual restrictions, capital requirements, business prospects, our strategic goals and plans to expand our business, applicable law and other factors that our board of directors may deem relevant. In addition, our revolving credit facility limits our ability to pay dividends, with certain exceptions. See "Risk Factors—We do not intend to pay dividends for the foreseeable future and, as a result, your ability to achieve a return on your investment will depend on appreciation in the price of our ADSs."

B. ***Significant Changes***

Since June 30, 2020, the following significant change has occurred:

On August 17, 2020, Endava completed the acquisition of the Comtrade Digital Services business, or CDS, by acquiring the total issued share capital of Comtrade CDS, digitalne storitve, d.o.o., a company registered in Slovenia, or CDS Slovenia and Comtrade Digital Services d.o.o., a company registered in Serbia, or CDS Serbia. CDS Slovenia and CDS Serbia together own and operate (either directly or through subsidiaries) all of the trade and assets that comprise CDS. CDS was formerly a division of Comtrade Group B.V., or Comtrade. CDS is headquartered in Dublin, Ireland, has delivery centers across the Adriatic, and provides strategic software engineering services and solutions to clients in Europe and in the United States.

The acquisition was made pursuant to the terms of a share purchase agreement between Endava (UK) Limited, Comtrade and Comtrade Solutions Management Holdinška Družba d.o.o., dated August 17, 2020.

The total consideration was €60 million payable in cash, which amount remains subject to post-closing adjustments based on the cash, debt and working capital of CDS as of the closing date. Ten percent of the purchase price will be held back for 24 months and be available to satisfy any warranty or indemnity claims. Pursuant to the terms of a transitional services agreement, Comtrade will continue to provide certain services to Endava with respect to CDS for a period of time following completion of the acquisition.

Item 9. The Offer and Listing.

A. ***Offer and Listing Details.***

The ADS have been listed on the New York Stock Exchange under the symbol "DAVA" since July 27, 2018. Prior to that date, there was no public trading market for ADSs or our ordinary shares.

B. ***Plan of Distribution.***

Not applicable

C. ***Markets.***

The ADS have been trading on the New York Stock Exchange under the symbol "DAVA" since July 27, 2018.

D. ***Selling Shareholders.***

Not applicable

E. ***Dilution***.

Not applicable

F. ***Expenses of the issue.***

Not applicable.

Item 10. Additional Information.

A. ***Share Capital***

Not applicable.

B. ***Memorandum and Articles of Association***

The information required by this section, including a summary of certain key provisions of our articles of association, is set forth in Exhibit 2.3(a) (Description of Share Capital) filed as an exhibit to this Annual Report on Form 20-F and is incorporated herein by reference.

C. ***Material Contracts***

On August 17, 2020, we entered into a share purpose agreement between Endava (UK) Limited, Comtrade and Comtrade Management. Pursuant to this agreement Endava (UK) Limited agreed to acquire CDS by purchasing the entire share capital of CDS Slovenia and CDS Serbia. For more information on this material contract and our acquisition of CDS see "Item 8.B. Significant Changes" of this Annual Report on 20-F.

We entered into an underwriting agreement among Morgan Stanley & Co. LLC, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. as representatives of the underwriters on April 15, 2019, with respect to the ADSs sold by existing shareholders in a public offering on April 15, 2019. We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

For additional information on our material contracts, please see "Item 4. Information on the Company," "Item 5.B. Liquidity and Capital Resources," "Item 6. Directors, Senior Management and Employees," and "Item 7.B. Related Party Transactions" of this Annual Report on 20-F.

D. ***Exchange Controls.***

There are no governmental laws, decrees, regulations or other legislation in the United Kingdom that may affect the import or export of capital, including the availability of cash and cash equivalents for use by us, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares or ADSs, other than withholding tax requirements. There is no limitation imposed by English law or our articles of association on the right of non-residents to hold or vote shares.

E. ***Taxation***

U.S. Federal Income Tax Considerations for U.S. Holders

The following discussion describes the material U.S. federal income tax consequences relating to the ownership and disposition of our Class A ordinary shares or ADSs by U.S. Holders (as defined below). This discussion applies to U.S. Holders that purchase our Class A ordinary shares or ADSs and hold such Class A ordinary shares or ADSs as capital assets for tax purposes. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended, or the Code, U.S. Treasury regulations promulgated thereunder and administrative and judicial interpretations thereof, and the income tax treaty between the United Kingdom and the United States, or the Treaty, all as in effect on the date hereof and all of which are subject to change, possibly with retroactive effect. There can be no assurance the Internal Revenue Service, or IRS, or a court will not take a contrary position to that discussed below regarding the tax consequences of the ownership and disposition of our ADSs and Class A ordinary shares. This discussion does not address all of the U.S. federal income tax consequences that may be relevant to specific U.S. Holders in light of their particular circumstances or to U.S. Holders subject to special treatment under U.S. federal income tax law (such as certain financial institutions, insurance companies, dealers or traders in securities or other persons that generally mark their securities to market for U.S. federal income tax purposes, tax-exempt entities or governmental organizations, retirement plans, regulated investment companies, real estate investment trusts, grantor trusts, brokers, dealers or traders in securities, commodities, currencies or notional principal contracts, certain former citizens or long-term residents of the United States, persons who hold our Class A ordinary shares or ADSs as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or integrated investment, persons that have a "functional currency" other than the U.S. dollar, persons who are subject to the tax accounting rules of Section 451(b) of the Code, persons that own directly, indirectly or through attribution 10% or more (by vote or value) of our equity, corporations that accumulate earnings to avoid U.S. federal income tax, partnerships and other pass-through entities, and investors in such pass-through entities). This discussion does not address any U.S. state or local or non-U.S. tax consequences or any U.S. federal estate, gift or alternative minimum tax consequences.

As used in this discussion, the term "U.S. Holder" means a beneficial owner of our Class A ordinary shares or ADSs that is, for U.S. federal income tax purposes, (1) an individual who is a citizen or resident of the United States, (2) a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia, (3) an estate the income of which is subject to U.S. federal income tax regardless of its source or (4) a trust (x) with respect to which a court within the

United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of its substantial decisions or (y) that has elected under applicable U.S. Treasury regulations to be treated as a domestic trust for U.S. federal income tax purposes.

If an entity treated as a partnership for U.S. federal income tax purposes holds our Class A ordinary shares or ADSs, the U.S. federal income tax consequences relating to an investment in such Class A ordinary shares or ADSs will depend upon the status and activities of such entity and the particular partner. Any such entity and a partner in any such entity should consult its own tax advisor regarding the U.S. federal income tax consequences applicable to it (and, as applicable, its partners) of the ownership and disposition of our Class A ordinary shares or ADSs.

U.S. Holders should consult their own tax advisors as to the particular tax consequences applicable to them relating to the ownership and disposition of our Class A ordinary shares or ADSs, including the applicability of U.S. federal, state and local tax laws and non-U.S. tax laws.

The discussion below assumes that the representations contained in the deposit agreement are true and that the obligations in the deposit agreement and any related agreement will be complied with in accordance with their terms. Generally, a holder of an ADS should be treated for U.S. federal income tax purposes as holding the Class A ordinary shares represented by the ADS. Accordingly, no gain or loss will be recognized upon an exchange of ADSs for Class A ordinary shares. The U.S. Treasury has expressed concerns that intermediaries in the chain of ownership between the holder of an ADS and the issuer of the security underlying the ADS may be taking actions that are inconsistent with the holder of the ADS's beneficial ownership of the underlying security. Accordingly, the creditability of foreign taxes, if any, as described below, could be affected by actions taken by intermediaries in the chain of ownership between the holders of ADSs and us if as a result of such actions the holders of ADSs are not properly treated as beneficial owners of the underlying Class A ordinary shares. These actions would also be inconsistent with the claiming of the reduced rate of tax, described below, applicable to dividends received by certain non-corporate holders.

Passive Foreign Investment Company Rules

In general, a corporation organized outside the United States will be treated as a passive foreign investment company, or PFIC, for any taxable year in which either (1) at least 75% of its gross income is "passive income," or the PFIC income test, or (2) on average at least 50% of its assets, determined on a quarterly basis, are assets that produce passive income or are held for the production of passive income, or the PFIC asset test. Passive income for this purpose generally includes, among other things, dividends, interest, royalties, rents, and gains from the sale or exchange of property that give rise to passive income. Assets that produce or are held for the production of passive income generally include cash, even if held as working capital or raised in a public offering, marketable securities, and other assets that may produce passive income. Generally, in determining whether a non-U.S. corporation is a PFIC, a proportionate share of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest (by value) is taken into account.

Although PFIC status is determined on an annual basis and generally cannot be determined until the end of the taxable year, based on the nature of our current and expected income and the current and expected value and composition of our assets, we believe we were not a PFIC for our 2019 tax year and we do not expect to be a PFIC for our current taxable year. There can be no assurance that we will not be a PFIC in future taxable years. Even if we determine that we are not a PFIC for a taxable year, there can be no assurance that the Internal Revenue Service, or IRS, will agree with our conclusion and that the IRS would not successfully challenge our position. Because of the uncertainties involved in establishing our PFIC status, our U.S. counsel expresses no opinion regarding our PFIC status.

If we are a PFIC in any taxable year during which a U.S. Holder owns our Class A ordinary shares or ADSs, the U.S. Holder could be liable for additional taxes and interest charges under the "PFIC excess distribution regime" upon (1) a distribution paid during a taxable year that is greater than 125% of the average annual distributions paid in the three preceding taxable years, or, if shorter, the U.S. Holder's holding period for our Class A ordinary shares or ADSs, and (2) any gain recognized on a sale, exchange or other disposition, including, under certain circumstances, a pledge, of our Class A ordinary shares or ADSs, whether or not we continue to be a PFIC. Under the PFIC excess distribution regime, the tax on such distribution or gain would be determined by allocating the distribution or gain ratably over the U.S. Holder's holding period for our Class A ordinary shares or ADSs. The amount allocated to the current taxable year (i.e., the year in which the distribution occurs or the gain is recognized) and any year prior to the first taxable year in

which we are a PFIC will be taxed as ordinary income earned in the current taxable year. The amount allocated to other taxable years will be taxed at the highest marginal rates in effect for individuals or corporations, as applicable, to ordinary income for each such taxable year, and an interest charge, generally applicable to underpayments of tax, will be added to the tax.

If we are a PFIC for any year during which a U.S. Holder holds our Class A ordinary shares or ADSs, we must generally continue to be treated as a PFIC by that holder for all succeeding years during which the U.S. Holder holds such Class A ordinary shares or ADSs, unless we cease to meet the requirements for PFIC status and the U.S. Holder makes a "deemed sale" election with respect to our Class A ordinary shares or ADSs. If the election is made, the U.S. Holder will be deemed to sell our Class A ordinary shares or ADSs it holds at their fair market value on the last day of the last taxable year in which we qualified as a PFIC, and any gain recognized from such deemed sale would be taxed under the PFIC excess distribution regime. After the deemed sale election, the U.S. Holder's Class A ordinary shares or ADSs would not be treated as shares of a PFIC unless we subsequently become a PFIC.

If we are a PFIC for any taxable year during which a U.S. Holder holds our Class A ordinary shares or ADSs and one of our non-United States subsidiaries is also a PFIC (i.e., a lower-tier PFIC), such U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC and would be taxed under the PFIC excess distribution regime on distributions by the lower-tier PFIC and on gain from the disposition of shares of the lower-tier PFIC even though such U.S. Holder would not receive the proceeds of those distributions or dispositions. Any of our non-United States subsidiaries that have elected to be disregarded as entities separate from us or as partnerships for U.S. federal income tax purposes would not be corporations under U.S. federal income tax law and accordingly, cannot be classified as lower-tier PFICs. However, a non-United States subsidiary that has not made the election may be classified as a lower-tier PFIC if we are a PFIC during your holding period and the subsidiary meets the PFIC income test or PFIC asset test.

If we are a PFIC, a U.S. Holder will not be subject to tax under the PFIC excess distribution regime on distributions or gain recognized on our Class A ordinary shares or ADSs if a valid "mark-to-market" election is made by the U.S. Holder for our Class A ordinary shares or ADSs. An electing U.S. Holder generally would take into account as ordinary income each year, the excess of the fair market value of our Class A ordinary shares or ADSs held at the end of such taxable year over the adjusted tax basis of such Class A ordinary shares or ADSs. The U.S. Holder would also take into account, as an ordinary loss each year, the excess of the adjusted tax basis of such Class A ordinary shares or ADSs over their fair market value at the end of the taxable year, but only to the extent of the excess of amounts previously included in income over ordinary losses deducted as a result of the mark-to-market election. The U.S. Holder's tax basis in our Class A ordinary shares or ADSs would be adjusted annually to reflect any income or loss recognized as a result of the mark-to-market election. Any gain from a sale, exchange or other disposition of our Class A ordinary shares or ADSs in any taxable year in which we are a PFIC would be treated as ordinary income and any loss from such sale, exchange or other disposition would be treated first as ordinary loss (to the extent of any net mark-to-market gains previously included in income) and thereafter as capital loss. If, after having been a PFIC for a taxable year, we cease to be classified as a PFIC because we no longer meet the PFIC income or PFIC asset test, the U.S. Holder would not be required to take into account any latent gain or loss in the manner described above and any gain or loss recognized on the sale or exchange of the Class A ordinary shares or ADSs would be classified as a capital gain or loss.

A mark-to-market election is available to a U.S. Holder only for "marketable stock." Generally, stock will be considered marketable stock if it is "regularly traded" on a "qualified exchange" within the meaning of applicable U.S. Treasury regulations. A class of stock is regularly traded during any calendar year during which such class of stock is traded, other than in de minimis quantities, on at least 15 days during each calendar quarter.

Our ADSs will be marketable stock as long as they remain listed on the New York Stock Exchange and are regularly traded. A mark-to-market election will not apply to the Class A ordinary shares or ADSs for any taxable year during which we are not a PFIC, but will remain in effect with respect to any subsequent taxable year in which we become a PFIC. Such election will not apply to any of our non-U.S. subsidiaries. Accordingly, a U.S. Holder may continue to be subject to tax under the PFIC excess distribution regime with respect to any lower-tier PFICs notwithstanding the U.S. Holder's mark-to-market election for our Class A ordinary shares or ADSs.

The tax consequences that would apply if we are a PFIC would also be different from those described above if a U.S. Holder were able to make a valid qualified electing fund, or "QEF," election. As we do not expect to provide U.S. Holders with the information necessary for a U.S. Holder to make a QEF election, a U.S. holder should assume that a QEF election will not be available.

The U.S. federal income tax rules relating to PFICs are very complex. U.S. Holders are strongly urged to consult their own tax advisors with respect to the impact of PFIC status on the ownership and disposition of our Class A ordinary shares or ADSs, the consequences to them of an investment in a PFIC, any elections available with respect to the Class A ordinary shares or ADSs and the IRS information reporting obligations with respect to the purchase, ownership and disposition of Class A ordinary shares or ADSs of a PFIC.

Distributions

Subject to the discussion above under "— Passive Foreign Investment Company Rules," a U.S. Holder that receives a distribution with respect to our Class A ordinary shares or ADSs generally will be required to include the gross amount of such distribution in gross income as a dividend when actually or constructively received by the U.S. Holder (or in the case of ADSs, the depositary) to the extent of the U.S. Holder's pro rata share of our current and/or accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent a distribution received by a U.S. Holder is not a dividend because it exceeds the U.S. Holder's pro rata share of our current and accumulated earnings and profits, it will be treated first as a tax-free return of capital and reduce (but not below zero) the adjusted tax basis of the U.S. Holder's Class A ordinary shares or ADSs. To the extent the distribution exceeds the adjusted tax basis of the U.S. Holder's Class A ordinary shares or ADSs, the remainder will be taxed as capital gain. Because we may not account for our earnings and profits in accordance with U.S. federal income tax principles, U.S. Holders should expect all distributions to be reported to them as dividends. The amount of a dividend will include any amounts withheld by the Company in respect of United Kingdom taxes.

Distributions on our Class A ordinary shares or ADSs that are treated as dividends generally will constitute income from sources outside the United States for foreign tax credit purposes and generally will constitute passive category income for foreign tax credit purposes. Subject to applicable limitations, some of which vary depending upon the U.S. Holder's particular circumstances, and subject to the discussion above regarding concerns expressed by the U.S. Treasury, any United Kingdom income taxes withheld from dividends on Class A ordinary shares or ADSs at a rate not exceeding the rate provided by the Treaty will be creditable against the U.S. Holder's U.S. federal income tax liability. The rules governing foreign tax credits are complex and U.S. Holders should consult their tax advisers regarding the creditability of foreign taxes in their particular circumstances. In lieu of claiming a foreign tax credit, U.S. Holders may, at their election, deduct foreign taxes, including any United Kingdom income tax, in computing their taxable income, subject to generally applicable limitations under U.S. law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year.

Distributions paid on our Class A ordinary shares or ADSs will not be eligible for the "dividends received'' deduction generally allowed to corporate shareholders with respect to dividends received from U.S. corporations under the Code. Subject to the discussion above regarding concerns expressed by the U.S. Treasury, dividends paid by a "qualified foreign corporation'' to non-corporate U.S. Holders are eligible for taxation at a reduced capital gains rate rather than the marginal tax rates generally applicable to ordinary income provided that a holding period requirement (more than 60 days of ownership, without protection from the risk of loss, during the 121-day period beginning 60 days before the ex-dividend date) and certain other requirements are met. Each U.S. Holder is advised to consult its tax advisors regarding the availability of the reduced tax rate on dividends to its particular circumstances. However, if we are a PFIC for the taxable year in which the dividend is paid or the preceding taxable year (see discussion above under "—Passive Foreign Investment Company Rules''), we will not be treated as a qualified foreign corporation, and therefore the reduced capital gains tax rate described above will not apply.

A non-United States corporation (other than a corporation that is classified as a PFIC for the taxable year in which the dividend is paid or the preceding taxable year) generally will be considered to be a qualified foreign corporation with respect to any dividend it pays on Class A ordinary shares or ADSs that are readily tradable on an established securities market in the United States.

The amount of any dividend income that is paid in British Pounds will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars on the date of receipt (actual or constructive), a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt (actual or constructive).

Sale, Exchange or Other Taxable Disposition of Our Class A Ordinary Shares or ADSs

Subject to the discussion above under "— Passive Foreign Investment Company Rules,'' a U.S. Holder generally will recognize capital gain or loss for U.S. federal income tax purposes upon the sale, exchange or other disposition of our Class A ordinary shares or ADSs in an amount equal to the difference, if any, between the amount realized (*i.e.*, the amount of cash plus the fair market value of any property received) on the sale, exchange or other disposition and such U.S. Holder's adjusted tax basis in the Class A ordinary shares or ADSs. Such capital gain or loss generally will be long-term capital gain taxable at a reduced rate for non-corporate U.S. Holders or long-term capital loss if, on the date of sale, exchange or other disposition, the Class A ordinary shares or ADSs were held by the U.S. Holder for more than one year. Any capital gain of a non-corporate U.S. Holder that is not long-term capital gain is taxed at ordinary income rates. The deductibility of capital losses is subject to limitations. Any gain or loss recognized from the sale or other disposition of our Class A ordinary shares or ADSs will generally be gain or loss from sources within the United States for U.S. foreign tax credit purposes.

Medicare Tax

Certain U.S. Holders that are individuals, estates or trusts and whose income exceeds certain thresholds generally are subject to a 3.8% tax on all or a portion of their net investment income, which may include their gross dividend income and net gains from the disposition of our Class A ordinary shares or ADSs. If you are a U.S. Holder that is an individual, estate or trust, you are encouraged to consult your tax advisors regarding the applicability of this tax to your income and gains in respect of your investment in our Class A ordinary shares or ADSs.

Information Reporting and Backup Withholding

U.S. Holders may be required to file certain U.S. information reporting returns with the IRS with respect to an investment in our Class A ordinary shares or ADSs, including, among others, IRS Form 8938 (Statement of Specified Foreign Financial Assets). In addition, each U.S. Holder who is a shareholder of a PFIC must file an annual report containing certain information. Substantial penalties may be imposed upon a U.S. Holder that fails to comply with the required information reporting.

Dividends on and proceeds from the sale or other disposition of our Class A ordinary shares or ADSs generally have to be reported to the IRS unless the U.S. Holder establishes a basis for exemption. Backup withholding may apply to amounts subject to reporting if the holder (1) fails to provide an accurate U.S. taxpayer identification number or otherwise establish a basis for exemption, or (2) is described in certain other categories of persons. However, U.S. Holders that are corporations generally are excluded from these information reporting and backup withholding tax rules.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability if the required information is furnished by the U.S. Holder on a timely basis to the IRS.

U.S. Holders should consult their own tax advisors regarding the backup withholding tax and information reporting rules.

EACH U.S. HOLDER IS URGED TO CONSULT ITS OWN TAX ADVISOR ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN OUR CLASS A ORDINARY SHARES OR ADSs IN LIGHT OF THE INVESTOR'S OWN CIRCUMSTANCES, INCLUDING THE APPLICABILITY OF U.S. FEDERAL, STATE AND LOCAL TAX LAWS AND NON-U.S. TAX LAWS.

U.K. Taxation

The following is intended as a general guide to current U.K. tax law and HM Revenue & Customs, or HMRC, practice applying as at the date of this Annual Report on Form 20-F (both of which are subject to change at any time, possibly with retrospective effect) relating to the holding of ADSs. It does not constitute legal or tax advice and does not purport to be a complete analysis of all U.K. tax considerations relating to the holding of ADSs, or all of the circumstances in which holders of ADSs may benefit from an exemption or relief from U.K. taxation. It is written on the basis that the company does not (and will not) directly or indirectly derive 75% or more of its qualifying asset value from U.K. land, and that the company is and remains solely resident in the United Kingdom for tax purposes and will therefore be subject to the U.K. tax regime and not the U.S. tax regime save as set out above under "U.S. Federal Income Tax Considerations for U.S. Holders."

Except to the extent that the position of non-U.K. resident persons is expressly referred to, this guide relates only to persons who are resident (and, in the case of individuals, domiciled or deemed domiciled) for tax purposes solely in the United Kingdom and do not have a permanent establishment, branch, agency (or equivalent) or fixed base in any other jurisdiction with which the holding of the ADSs is connected, or U.K. Holders, who are absolute beneficial owners of the ADSs (where the ADSs are not held through an Individual Savings Account or a Self-Invested Personal Pension) and who hold the ADSs as investments.

This guide may not relate to certain classes of U.K. Holders, such as (but not limited to):

- persons who are connected with the company;
- financial institutions;
- insurance companies;
- charities or tax-exempt organizations;
- collective investment schemes;
- pension schemes;
- market makers, intermediaries, brokers or dealers in securities;
- persons who have (or are deemed to have) acquired their ADSs by virtue of an office or employment or who are or have been officers or employees of the company or any of its affiliates; and
- individuals who are subject to U.K. taxation on a remittance basis.

The decision of the First-tier Tribunal (Tax Chamber) in HSBC Holdings PLC and The Bank of New York Mellon Corporation v HMRC (2012) cast some doubt on whether a holder of a depositary receipt is the beneficial owner of the underlying shares. However, based on published HMRC guidance we would expect that HMRC will regard a holder of ADSs as holding the beneficial interest in the underlying shares and therefore these paragraphs assume that a holder of ADSs is the beneficial owner of the underlying Class A ordinary shares and any dividends paid in respect of the underlying Class A ordinary shares (where the dividends are regarded for U.K. purposes as that person's own income) for U.K. direct tax purposes.

THESE PARAGRAPHS ARE A SUMMARY OF CERTAIN U.K. TAX CONSIDERATIONS AND ARE INTENDED AS A GENERAL GUIDE ONLY. IT IS RECOMMENDED THAT ALL HOLDERS OF ADSs OBTAIN ADVICE AS TO THE CONSEQUENCES OF THE ACQUISITION, OWNERSHIP AND DISPOSAL OF THE ADSs IN THEIR OWN SPECIFIC CIRCUMSTANCES FROM THEIR OWN TAX ADVISORS. IN PARTICULAR, NON-U.K. RESIDENT OR DOMICILED PERSONS ARE ADVISED TO CONSIDER THE POTENTIAL IMPACT OF ANY RELEVANT DOUBLE TAXATION AGREEMENTS.

Dividends

Withholding Tax

Dividends paid by the company will not be subject to any withholding or deduction for or on account of U.K. tax.

Income Tax

An individual U.K. Holder may, depending on his or her particular circumstances, be subject to U.K. tax on dividends received from the company. An individual holder of ADSs who is not resident for tax purposes in the United Kingdom should not be chargeable to U.K. income tax on dividends received from the company unless he or she carries on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency to which the ADSs are attributable. There are certain exceptions for trading in the United Kingdom through independent agents, such as some brokers and investment managers.

All dividends received by an individual U.K. Holder from us or from other sources will form part of that U.K. Holder's total income for income tax purposes and will constitute the top slice of that income. A nil rate of income tax will apply to the first £2,000 of taxable dividend income received by the individual U.K. Holder in a tax year. Income within the nil rate band will be taken into account in determining whether income in excess of the £2,000 tax-free allowances falls within the basic rate, higher rate or additional rate tax bands.

Dividend income in excess of the tax-free allowance will (subject to the availability of any income tax personal allowance) be taxed at 7.5 per cent to the extent that the excess amount falls within the basic rate tax band, 32.5 per cent to the extent that the excess amount falls within the higher rate tax band and 38.1 per cent to the extent that the excess amount falls within the additional rate tax band.

Corporation Tax

A corporate holder of ADSs who is not resident for tax purposes in the United Kingdom should not be chargeable to U.K. corporation tax on dividends received from the company unless it carries on (whether solely or in partnership) a trade in the United Kingdom through a permanent establishment to which the ADSs are attributable.

Corporate U.K. Holders should not be subject to U.K. corporation tax on any dividend received from the company so long as the dividends qualify for exemption, which should be the case, although certain conditions must be met. If the conditions for the exemption are not satisfied, or such U.K. Holder elects for an otherwise exempt dividend to be taxable, U.K. corporation tax will be chargeable on the amount of any dividends (at the current rate of 19%).

Chargeable Gains

A disposal or deemed disposal of ADSs by a U.K. Holder may, depending on the U.K. Holder's circumstances and subject to any available exemptions or reliefs (such as the annual exemption), give rise to a chargeable gain or an allowable loss for the purposes of U.K. capital gains tax and corporation tax on chargeable gains.

If an individual U.K. Holder who is subject to U.K. income tax at either the higher or the additional rate is liable to U.K. capital gains tax on the disposal of ADSs, the current applicable rate will be 20%. For an individual U.K. Holder who is subject to U.K. income tax at the basic rate and liable to U.K. capital gains tax on such disposal, the current applicable rate would be 10%, save to the extent that any capital gains when aggregated with the U.K. Holder's other taxable income and gains in the relevant tax year exceed the unused basic rate tax band. In that case, the rate currently applicable to the excess would be 20%.

If a corporate U.K. Holder becomes liable to U.K. corporation tax on the disposal (or deemed disposal) of ADSs, the main rate of U.K. corporation tax (currently 19%) would apply.

A holder of ADSs which is not resident for tax purposes in the United Kingdom should not normally be liable to U.K. capital gains tax or corporation tax on chargeable gains on a disposal (or deemed disposal) of ADSs unless the person is carrying on (whether solely or in partnership) a trade, profession or vocation in the United Kingdom through a branch or agency (or, in the case of a corporate holder of ADSs, through a permanent establishment to which the

ADSs are attributable. However, an individual holder of ADSs who has ceased to be resident for tax purposes in the United Kingdom for a period of less than five years and who disposes of ADSs during that period may be liable on his or her return to the United Kingdom to U.K. tax on any capital gain realized (subject to any available exemption or relief).

Stamp Duty and Stamp Duty Reserve Tax

The discussion below relates to the holders of our Class A ordinary shares or ADSs wherever resident, however it should be noted that special rules may apply to certain persons such as market makers, brokers, dealers or intermediaries.

Issues of Shares

No U.K. stamp duty or stamp duty reserve tax, or SDRT, is payable on the issue of the underlying Class A ordinary shares in the company.

Transfers of Shares

An unconditional agreement to transfer Class A ordinary shares in certificated form will normally give rise to a charge to SDRT at the rate of 0.5% of the amount or value of the consideration payable for the transfer. The purchaser of the shares is liable for the SDRT. Transfers of Class A ordinary shares in certificated form are generally also subject to stamp duty at the rate of 0.5% of the amount or value of the consideration given for the transfer (rounded up to the next £5.00). Stamp duty is normally paid by the purchaser. The charge to SDRT will be canceled or, if already paid, repaid (generally with interest), where a transfer instrument has been duly stamped within six years of the charge arising (either by paying the stamp duty or by claiming an appropriate relief) or if the instrument is otherwise exempt from stamp duty.

An unconditional agreement to transfer Class A ordinary shares to, or to a nominee or agent for, a person whose business is or includes the issue of depositary receipts or the provision of clearance services will generally be subject to SDRT (or, where the transfer is effected by a written instrument, stamp duty) at a higher rate of 1.5% of the amount or value of the consideration given for the transfer unless the clearance service has made and maintained an election under section 97A of the U.K. Finance Act 1986, or a section 97A election. It is understood that HMRC regards the facilities of DTC as a clearance service for these purposes and we are not aware of any section 97A election having been made by DTC.

Based on current published HMRC practice and recent case law, no SDRT is generally payable where the transfer of Class A ordinary shares to a clearance service or depositary receipt system is an integral part of an issue of share capital.

Any stamp duty or SDRT payable on a transfer of Class A ordinary shares to a depositary receipt system or clearance service will in practice generally be paid by the participants in the clearance service or depositary receipt system. Any stamp duty or SDRT payable on the transfer to a clearance service or depositary receipt system of Class A ordinary shares that will be represented by ADSs to be sold by the selling shareholders will ultimately be borne by the selling shareholders.

Issue or Transfers of ADSs

No U.K. stamp duty or SDRT should be required to be paid on the issue of an ADS. No stamp duty or SDRT will be payable on the transfer of (including an agreement to transfer) ADSs through the facilities of DTC.

F. ***Dividends and paying agents.***

Not applicable.

G. ***Statement by Experts***

Not applicable.

H. ***Documents on display*****.**

We are subject to the information reporting requirements of the Exchange Act applicable to foreign private issuers. Accordingly, we are required to file reports and other information with the Securities and Exchange Commission, or SEC, including annual reports on Form 20-F and reports on Form 6-K. Those reports may be inspected without charge at the locations described below. As a foreign private issuer, we are exempt from the rules under the Exchange Act related to the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as United States companies whose securities are registered under the Exchange Act. Nevertheless, we will file with the U.S. Securities and Exchange Commission an Annual Report on Form 20-F containing financial statements that have been examined and reported on, with and opinion expressed by an independent registered public accounting firm, and we intend to submit quarterly interim consolidated financial data to the SEC under cover of the SEC's Form 6-K.

We also maintain a website at http://www.endava.com. We intend to post our Annual Report on Form 20-F on our website promptly following it being filed with the SEC. Information contained in, or accessible through, our website is not a part of this Annual Report on Form 20-F, and the inclusion of our website address in this Annual Report on Form 20-F is solely as an inactive textual reference.

The SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding registrants, such as Endava, that file electronically with the Securities and Exchange Commission.

With respect to references made in this Annual Report on Form 20-F to any contract or other document of Endava, such references are not necessarily complete and you should refer to the exhibits attached or incorporated by reference to this Annual Report on Form 20-F for copies of the actual contract or document.

I. ***Subsidiary Information***

Not applicable.

Item 11. Quantitative and Qualitative Disclosures About Market Risk.

Qualitative and Quantitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in foreign exchange rates as well as, to a lesser extent, interest rates and inflation.

Foreign Currency Exchange Rate Risk

We conduct business in multiple countries and currencies, which exposes us to risks associated with fluctuations in currency exchange rates. Our reporting currency is the British Pound, but we transact business in other currencies as well, principally the Euro, U.S. Dollar and the RON. Any necessary foreign currency transactions, principally re-translation of monetary items such as short-term inter-company balances and borrowings, are effected using the exchange rates prevailing on the dates of the transactions and are recognized in the statement of comprehensive income. In addition, the assets and liabilities of each of our subsidiaries are translated into British Pounds at exchange rates in effect at each balance sheet date and operations accounts are translated using the average exchange rate for the relevant period. Foreign currency translation adjustments are accounted for as a component of comprehensive income and reflected in the foreign exchange translation reserve and in comprehensive income on the statement of changes in equity.

In the fiscal year ended June 30, 2020, 42.9% of our sales were denominated in the British Pound, 29.4% of our sales were denominated in U.S. dollars, 26.1% were denominated in Euros and the balance was in other currencies. Conversely, during the same time period, 60.6% of our expenses were denominated in Euros (or in currencies that largely follow the Euro, including the RON) and 13.6% in U.S. dollars. As a result, strengthening of the Euro relative

to the British Pound and weakening of the U.S. dollar relative to the British Pound present the most significant risks to us. Any significant fluctuations in currency exchange rates may have a material impact on our business.

Prior to June 30, 2016, we entered into forward contracts to fix the exchange rate for inter-company transactions between the British Pound and the RON, with changes in the fair value of these forward contracts being recognized in profit or loss.

We have not engaged in the hedging of foreign currency transactions since the start of fiscal year 2017, although we may choose to do so in the future.

Interest Rate Risk

We had cash and cash equivalents of £101.3 million as of June 30, 2020, which consisted of readily available bank deposits in various currencies, principally Euro, U.S. Dollar, British Pound and RON. These investments earn interest at variable rates and, as a result, decreases in market interest rates would generally result in decreased interest income.

We also have a revolving credit facility that bears interest based on LIBOR and EURIBOR plus a variable margin. Changes in the applicable rate result in fluctuations in the required cash flows to service this debt. For example, a 1% (one hundred basis points) increase in the applicable market interest rate would result in an additional £2.0 million in interest expense if the maximum borrowable amount under the revolving credit facility were outstanding for the entire fiscal year.

We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure.

Inflation Risk

A large proportion of our services are delivered from locations in Central Europe and Latin America. Consequently, we are exposed to the risks associated with economies that are undergoing rapid growth with evolving controls and regulations, which can drive inflationary pressure. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain current levels of gross margin and selling, general and administrative expenses as a percentage of sales if the selling prices of our services do not increase in line with increases in costs.

Concentration of Credit and Other Risk

During the fiscal years ended June 30, 2020, 2019 and 2018, our 10 largest clients based on revenue accounted for 38.1%, 37.7%, and 41.5% of our total revenue, respectively. Worldpay was our largest client for each of the last three fiscal years, contributing less than 10% in both 2020 and 2019, and 10.8% in 2018.

Credit losses and write-offs of trade receivable balances have historically not been material to our consolidated financial statements.

See note 31 to our consolidated financial statements appearing elsewhere in this Annual Report on Form 20-F for more details on financial instruments risk.

Item 12. Description of Securities Other than Equity Securities.

A. ***Debt Securities.***

Not applicable.

B. ***Warrants and Rights.***

Not applicable.

C. ***Other Securities.***

Not applicable.

D. ***American Depositary Shares.***

Certain of the information required by this section is set forth in Exhibit 2.3(b) (Description of American Depositary Shares) filed as an exhibit to this Annual Report on Form 20-F and is incorporated herein by reference.

Citibank, N.A., as depositary, registers and delivers American Depositary Shares, also referred to as ADSs. Each ADS represents the right to receive, and to exercise the beneficial ownership interests in, one Class A ordinary share that is on deposit with the Citibank, N.A., London Branch, located at 25 Canada Square, Canary Wharf, London E14 5LB, United Kingdom, the custodian for the depositary.

Each ADS also represents the right to receive, and to exercise the beneficial interests in, any other property received by the depositary or the custodian on behalf of the owner of the ADS but that has not been distributed to the owners of ADSs because of legal restrictions or practical considerations. The depositary's corporate trust office at which the ADSs are administered is located at 388 Greenwich Street, New York, New York 10013.

A deposit agreement among us, the depositary and the ADS holders sets out the ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADRs. A copy of the Agreement is incorporated by reference as an exhibit to this Annual Report on Form 20-F.

Fees and Expenses

Pursuant to the terms of the deposit agreement, the holders of ADSs will be required to pay the following fees:

Service	Fees
Issuance of ADSs (e.g., an issuance of ADS upon a deposit of Class A ordinary shares or upon a change in the ADS(s)-to-Class A ordinary shares ratio), excluding ADS issuances as a result of distributions of Class A ordinary shares	Up to $0.05 per ADS issued
Cancellation of ADSs (e.g., a cancellation of ADSs for delivery of deposited property or upon a change in the ADS(s)-to-Class A ordinary shares ratio, or for any other reason)	Up to $0.05 per ADS cancelled
Distribution of cash dividends or other cash distributions (e.g., upon a sale of rights and other entitlements)	Up to $0.05 per ADS held
Distribution of ADSs pursuant to (i) share dividends or other free share distributions, or (ii) exercise of rights to purchase additional ADSs	Up to $0.05 per ADS held
Distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., upon a spin-off)	Up to $0.05 per ADS held
ADS Services	Up to $0.05 per ADS held on the applicable record date(s) established by the depositary

ADS holders will also be responsible to pay certain charges such as:

- taxes (including applicable interest and penalties) and other governmental charges;
- the registration fees as may from time to time be in effect for the registration of Class A ordinary shares on the share register and applicable to transfers of Class A ordinary shares to or from the name of the custodian, the depositary, or any nominees upon the making of deposits and withdrawals, respectively;
- certain cable, telex, and facsimile transmission and delivery expenses;
- the expenses and charges incurred by the depositary in the conversion of foreign currency;
- the fees and expenses incurred by the depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to Class A ordinary shares, ADSs, and ADRs; and the fees and expenses incurred by the depositary, the custodian, or any nominee in connection with the servicing or delivery of deposited property.

ADS fees and charges payable upon (i) the issuance of ADSs, and (ii) the cancellation of ADSs are charged to the person for whom the ADSs are issued (in the case of ADS issuances) and to the person for whom ADSs are cancelled (in the case of ADS cancellations). In the case of ADSs issued by the depositary into DTC, the ADS issuance and cancellation fees and charges may be deducted from distributions made through DTC, and may be charged to the DTC participant(s) receiving the ADSs being issued or the DTC participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participants as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are charged to the holders as of the applicable ADS record date. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, holders as of the ADS record date will be invoiced for the amount of the ADS fees and charges and such ADS fees and charges may be deducted from distributions made to holders of ADSs. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC and the DTC participants in turn charge the amount of such ADS fees and charges to the beneficial owners for whom they hold ADSs.

In the event of refusal to pay the depositary fees, the depositary may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees from any distribution to be made to the ADS holder. Certain depositary fees and charges (such as the ADS services fee) may become payable shortly after the closing of the ADS offering. Note that the fees and charges you may be required to pay may vary over time and may be changed by us and by the depositary. You will receive prior notice of such changes. The depositary may reimburse us for certain expenses incurred by us in respect of the ADR program, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary agree from time to time.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies.

Not applicable.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds.

Initial Public Offering

In July 2018, we sold 7,291,000 ADSs, each representing one Class A ordinary share, nominal value £0.02 per ordinary share, in our initial public offering at a public offering price of $20.00 per share, for aggregate gross proceeds to us of approximately $145.8 million. The net offering proceeds to us, after deducting underwriting discounts and commissions totaling approximately $9.7 million, offering expenses totaling approximately $7.5 million and onward payments to selling shareholders of $75.6 million, were approximately $53.0 million. The offering commenced on June 29, 2018 and did not terminate before all of the securities registered in the registration statement were sold. The effective date of the registration statement, File No. 333-226010, for our initial public offering of ADSs was July 26, 2018. Morgan Stanley & Co. LLC, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC and Deutsche Bank Securities Inc. acted as joint book-running managers of the offering and as representatives of the underwriters.

None of the net proceeds of our initial public offering were paid directly or indirectly to any director, officer, general partner of ours or to their associates, persons owning 10% or more of any class of our equity securities, or to any of our affiliates. As of June 30, 2020, we had consumed all of the net proceeds from the IPO, primarily to pay down outstanding amounts under the Facility Agreement (approximately $26.0 million) and for working capital and general corporate purposes.

Item 15. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures are designed to provide reasonable assurance of achieving the desired control objectives. Our management, including our chief executive officer and chief financial officer, recognizes that any control system, no matter how well designed and operated, is based upon certain judgments and assumptions and cannot provide absolute assurance that its objectives will be met. Similarly, an evaluation of controls cannot provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected.

Our management, with the participation of our chief executive officer and chief financial officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2020. Based on this evaluation, management concluded that our disclosure controls and procedures were not effective as of June 30, 2020 due to material weaknesses in internal control over financial reporting, as described below. Notwithstanding such material weaknesses in internal control over financial reporting, our management concluded that our consolidated financial statements in this Annual Report on Form 20-F present fairly, in all material respects, the Company's financial position, results of operations and cash flows as of the dates, and for the periods presented, in conformity with IFRS.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) and for the assessment of the effectiveness of our internal control over financial reporting. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, (iii) provide reasonable assurance that receipts and expenditures are being made only in accordance with authorizations of management and directors, and (iv) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets that could have a material effect on the consolidated financial statements.

Material weakness in Internal Control over Financial Reporting

Because of the inherent limitations of control systems, internal control over financial reporting, no matter how well designed and operated, may not prevent or detect misstatements. In addition, projections of any evaluation as to the effectiveness of such controls in future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

Management, with the participation of our chief executive officer and chief financial officer, assessed our internal control over financial reporting based upon the framework in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, our management concluded that the material weaknesses in our internal control over financial reporting described below existed as of June 30, 2020 and,therefore, that our internal control over financial reporting was not effective as of June 30, 2020.

In accordance with guidance issued by the Securities and Exchange Commission, management's assessment of our internal control over financial reporting did not include the internal controls of Intuitus Limited and Exozet GmbH, which were acquired in November and December 2019, respectively. The total amount of Intuitus Limited and Exozet GmbH assets and revenues in our consolidated financial statements for the year ended June 30, 2020 constituted £10.8 million or 3% of total assets and £11.4 million or 3% of revenue, respectively.

During management's assessment of our internal control over financial reporting, management identified the following control deficiencies:

- we did not conduct an effective risk assessment process that successfully identified and assessed risks of misstatement to ensure controls were designed and implemented to respond to those risks in certain business processes;
- we did not have adequate training and knowledge of the COSO 2013 Framework and its application to our internal control over financial reporting; and

- we did not (i) establish effective information technology general controls (ITGCs), related to change management and user access over certain information technology (IT) systems, databases and applications that support our financial reporting processes, and (ii) have effective policies and procedures through which ITGCs are deployed across the organization. Additionally, automated process-level and manual controls dependent upon the completeness and accuracy of information derived from these IT systems were rendered ineffective because they are affected by the lack of ITGCs.

As a consequence, we also did not have effective process level control activities over:

- our revenue recognition process related to the review of the performance obligations related to contract renewals of existing customers and the review of the completeness and accuracy of invoice adjustments made monthly to certain contracts. In addition, the validation and evidencing of the completeness and accuracy of relevant data used in calculating our allowance for credit losses relating to trade receivables and accrued income was insufficient.

- our business combination process related to the review of customer attrition rates used to value customer relationship intangible assets, including the completeness and accuracy of data used in the measurement of customer attrition rates.

- our payroll process related to the validation and evidencing of the completeness and accuracy of data used in payroll calculations.

The control deficiencies described above did not result in any identified misstatements to our consolidated financial statements as of and for the year ended June 30, 2020. These control deficiencies create a reasonable possibility that a material misstatement to the consolidated financial statements will not be prevented or detected on a timely basis, and therefore we conclude that the deficiencies represent material weaknesses in internal control over financial reporting and our internal control over financial reporting is not effective as of June 30, 2020.

Remediation

Management has implemented and continues to implement measures designed to ensure that the control deficiencies contributing to the material weaknesses are remediated, such that these controls are designed, implemented, and operating effectively.

The remediation actions include: (i) implementing IT tools to allow a complete list of system changes to be logged for certain IT systems impacting financial reporting; (ii) use of IT workflow tools to simplify our change management and user access controls for ease of operation; (iii) developing enhanced training packages addressing ITGCs and policies, including educating control owners concerning the principles and requirements of each control; (iv) enhancing revenue recognition, allowance for credit losses, business combination and payroll process controls to better mitigate risks of misstatement; (v) providing certain staff with additional training on the appropriate validation and evidencing of source data inputs; (vi) strengthening our compliance functions with additional experienced hires to assist in our risk assessment process and the design and implementation of controls responsive to those risks. We will regularly provide a report on the remediation measures to the Audit Committee.

Management intends to implement the above remediation actions during the fiscal year ending June 30, 2021. We believe that these actions will remediate the material weaknesses described above. However, as we implement these remediation efforts, we may determine that additional steps may be necessary to remediate the material weaknesses, or we may identify other material weaknesses or control deficiencies. We cannot provide assurance that these remediation efforts will be successful or that our internal control over financial reporting will be effective in accomplishing all control objectives all of the time. The control deficiencies will not be considered remediated, however, until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

Attestation Report of the Registered Public Accounting Firm

Our independent registered public accounting firm, KPMG LLP, who audited the consolidated financial statements included in this annual report, has expressed an adverse report on the operating effectiveness of the Company’s internal control over financial reporting. KPMG LLP’s report is included below.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors

Endava plc

Opinion on Internal Control Over Financial Reporting

We have audited Endava plc, and subsidiaries' (the Company) internal control over financial reporting as of June 30, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, because of the effect of the material weaknesses, described below, on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of June 30, 2020, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of June 30, 2020 and 2019, the related consolidated statements of comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended June 30, 2020 and the related notes collectively, the consolidated financial statements, and our report dated September 15, 2020 expressed an unqualified opinion on those consolidated financial statements.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. Material weaknesses related to IT General Controls, Risk Assessment, and Adequate Training and Knowledge have been identified and included in management's assessment. The material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2020 consolidated financial statements, and this report does not affect our report on those consolidated financial statements.

The Company acquired Intuitus Limited and Exozet GmbH during 2019, and management excluded from its assessment of the effectiveness of the Company's internal control over financial reporting as of June 30, 2020, Intuitus Limited and Exozet GmbH's internal control over financial reporting associated with total assets of £10.8 million or 3% and total revenues of £11.4 million or 3%, included in the consolidated financial statements of the Company as of and for the year ended June 30, 2020. Our audit of internal control over financial reporting of the Company also excluded an evaluation of the internal control over financial reporting of Intuitus Limited and Exozet GmbH.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting as of June 30, 2020. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of

the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

London, United Kingdom

September 15, 2020

Changes in Internal Control over Financial Reporting

Except for the material weakness identified above, there were no changes in our internal control over financial reporting that occurred during the period covered by this annual report that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

Item 16. Reserved

Not applicable.

Item 16A. Audit Committee Financial Expert.

Our Board has determined that Mr. Pattillo is an audit committee financial expert as defined in Item 16A(b) of Form 20-F. Mr. Pattillo is independent as such term is defined in Rule 10A-3 under the Exchange Act and under the listing standards of the New York Stock Exchange.

Item 16B. Code of Business Conduct and Ethics.

We have adopted a Code of Business Conduct and Ethics, or the Code of Conduct, that is applicable to all of the directors, executives, employees and independent contractors of Endava and our subsidiaries. A copy of the Code of Conduct is available on our website at *www.endava.com*. The audit committee of our board of directors is responsible for overseeing the Code of Conduct and must approve any waivers of the Code of Conduct for directors, executives, employees and independent contractors. We expect that any amendments to the Code of Conduct, or any waivers of its requirements, will be disclosed on our website.

Item 16C. Principal Accountant Fees and Services.

KPMG LLP has served as our independent registered public accounting firm for fiscal years 2016, 2017, 2018, 2019 and 2020. Our accountants fees for professional services in fiscal years 2020 and 2019 are:

	Year Ended June 30,	
	2020	2019
	(pounds in thousands)	
Audit Fees[1]	£ 1,775	£ 836
Audit-Related Fees[2]	—	186
Tax fees[3]	—	—
All Other fees[4]	—	—
Total	**£ 1,775**	**£ 1,022**

(1) "Audit Fees" are the aggregate fees for the audit of our annual financial statements. This category also includes services that generally the independent accountant provides, such as consents and assistance with and review of documents filed with the SEC.

(2) "Audit-Related Fees" are the aggregate fees for assurance and related services that are reasonably related to the performance of the audit and are not reported under Audit Fees.

(3) "Tax Fees" are the aggregate fees for professional services rendered by the principal accountant for tax compliance, tax advice and tax planning related services.

(4) "All Other Fees" are any additional amounts for products and services provided by the principal accountant. There were no "Tax Fees" during 2019 or 2020.

Our audit committee reviews and pre-approves the scope and the cost of audit services related to us and permissible non-audit services performed by the independent auditors, other than those for *de minimis* services which are approved by the audit committee prior to the completion of the audit. All of the services related to us provided by KPMG LLP during the last fiscal year have been pre-approved by the audit committee.

Item 16D. Exemptions from the Listing Standards for Audit Committees.

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer

Not applicable.

Item 16F. Change in Registrant's Certifying Accountant.

Not applicable.

Item 16G. Corporate Governance.

As a "foreign private issuer," as defined by the SEC, we are permitted to follow home country corporate governance practices, instead of certain corporate governance practices required by the New York Stock Exchange for U.S. domestic issuers. While we intend to follow most New York Stock Exchange corporate governance listing standards, we follow U.K. corporate governance practices in lieu of New York Stock Exchange corporate governance listing standards as follows:

- Exemption from quorum requirements applicable to meetings of shareholders. Such quorum requirements are not required under English law;
- Exemption from the New York Stock Exchange corporate governance listing standards applicable to domestic issuers requiring disclosure within four business days of any determination to grant a waiver of the code of business conduct and ethics to directors and officers. Although we will require board approval of any such waiver, we may choose not to disclose the waiver in the manner set forth in the New York Stock Exchange corporate governance listing standards, as permitted by the foreign private issuer exemption; and
- Exemption from the requirement to obtain shareholder approval for certain issuances of securities, including shareholder approval of share option plans.

We intend to take all actions necessary for us to maintain compliance as a foreign private issuer under the applicable corporate governance requirements of the Sarbanes-Oxley Act of 2002, the rules adopted by the SEC and the New York Stock Exchange corporate governance rules and listing standards.

Because we are a foreign private issuer, our directors and senior management are not subject to short-swing profit and insider trading reporting obligations under Section 16 of the Exchange Act. They are, however, subject to the obligations to report changes in share ownership under Section 13 of the Exchange Act and related SEC rules.

Item 16H. Mine Safety Disclosure.

Not applicable.

PART III

Item 17. Financial Statements.

See pages F-1 through F-65 of this Annual Report on Form 20-F.

Item 18. Financial Statements.

Not applicable.

Item 19. Exhibits.

The following exhibits are filed as part of this Annual Report on Form 20-F.

Exhibit Number	Description of Document
1.1	Articles of Association of Endava plc, as amended (incorporated by reference to Exhibit 3.1 to our Registration Statement on Form F-1 (File No. 333-226010), filed with the Commission on June 29, 2018 (the "F-1 Registration Statement"))
2.1	Form of Deposit Agreement (incorporated by reference to Exhibit (a) of our Pre-Effective Amendment No. 1 to Form F-6 registration statement (File No. 333-226021), filed with the Commission on July 18, 2018 (the "F-6 Registration Statement"))
2.2	Form of American Depositary Receipt (incorporated by reference to Exhibit (a) of our F-6 Registration Statement)
2.3(a)*	Description of Share Capital
2.3(b)*	Description of American Depositary Shares (incorporated by reference to Exhibit 2.3(b) of our Annual Report on Form 20-F for the year ended June 30, 2019 (File. No. 00138607), filed with the Commission on September 25, 2019 (the "2019 20-F")).
4.1+	Endava Share Option Plan (incorporated by reference to Exhibit 10.1 to our F-1 Registration Statement)
4.2+	Endava Joint Share Ownership Plan (incorporated by reference to Exhibit 10.2 to our F-1 Registration Statement)
4.3+	Endava Limited 2015 Long Term Incentive Plan (incorporated by reference to Exhibit 10.3 to our F-1 Registration Statement)
4.4+	Endava Limited 2017 Non-Executive Director Long Term Incentive Plan (incorporated by reference to Exhibit 10.4 to our F-1 Registration Statement)
4.5+	Endava plc 2018 Equity Incentive Plan (incorporated by reference to Exhibit 10.5 to our F-1 Registration Statement)
4.6+	Endava plc 2018 Sharesave Plan (incorporated by reference to Exhibit 10.6 to our F-1 Registration Statement)
4.7*+	Endava plc 2018 International Sub Plan (incorporated by reference to Exhibit 4.7 of our 2019 20-F).
4.8	Form of Deed of Indemnity for Directors and Officers (incorporated by reference to Exhibit 10.8 to our F-1 Registration Statement)
4.9	Lease Agreement by and among Gide Loyrette Nouel LLP, Endava (UK) Limited and Endava Limited, dated as of July 8, 2014, for the East Premises (incorporated by reference to Exhibit 10.9 to our F-1 Registration Statement)
4.10	Lease Agreement by and among Gide Loyrette Nouel LLP, Endava (UK) Limited and Endava Limited, dated as of July 8, 2014, for the West Premises (incorporated by reference to Exhibit 10.10 to our F-1 Registration Statement)
4.11	Multicurrency Revolving Facility Agreement dated October 12, 2019, among Endava plc, the Original Borrowers, the Original Guarantors, the Mandated Lead Arrangers, the Original Lenders and HSBC Bank PLC, as agent (incorporated by reference to Exhibit 99.2 to our Current Report on Form 6-K (File No. 001-38607) filed with the Commission on October 15, 2019.
4.12	Share Purchase Agreement dated August 17, 2020 between Endava (UK) Limited (as Purchaser) and Comtrade Group B.V. and Comtrade Solutions Management Holdinska Druzba D.O.O. (as Sellers) relating to the sale and purchase of the entire issued share capital of Comtrade CDS, Digitalne Storitve, D.O.O. and Comtrade Digital Services D.O.O.
8.1*	Significant Subsidiaries of Endava plc.
12.1*	Certification by the Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2*	Certification by the Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

13.1**	Certification by the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1*	Consent of KPMG LLP, independent registered public accounting firm
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover page interactive data file (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.

\+ Indicates management contract or compensatory plan.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors

Endava plc

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Endava plc and subsidiaries (the Company) as of June 30, 2020 and 2019, the related consolidated statements of comprehensive income, and changes in equity, and cash flows for each of the years in the three-year period ended June 30, 2020, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of June 30, 2020 and 2019, and the results of its operations and its cash flows for each of the years in the three-year period ended June 30, 2020, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of June 30, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated September 15, 2020 expressed an adverse opinion on the effectiveness of the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company has changed its method of accounting for Leases as of July 1, 2019 due to the adoption of IFRS 16.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Evaluation of the fair value of customer relationship intangible assets acquired through business combinations

As discussed in Note 15 to the consolidation financial statements, during the year ended June 30, 2020, the Company consummated two business combinations for aggregate consideration of £32 million. These acquisitions resulted in the recognition of customer relationship intangible assets totalling £9.1 million.

We identified the evaluation of the fair value of customer relationship intangible assets acquired through business combinations as a critical audit matter because evaluating the fair value involved a high degree of subjective auditor judgment related to use of certain assumptions in the valuation models. The key assumptions used within the valuation models included expected future revenue growth, customer attrition rate, and the discount rates applied. Changes in these assumptions could have a significant impact on the fair value of the customer relationship intangible assets.

The primary procedures we performed to address this critical audit matter included the following:

We evaluated the expected future revenue growth used by the Company by comparing the assumptions used to the historical performance of acquired entities, and to the revenue growth rates of peer companies. We assessed the customer attrition rate based on historical data of acquired entities. We also involved a valuation professional with specialised skills and knowledge who assisted in evaluating:

a. expected future revenue growth used by the Company to value the customer relationship intangible asset as compared to industry and macro-economic trend data; and;

b. the discount rates applied by comparing them to an independently developed range using publicly available market data for comparable entities.

Valuation of the allowance for credit losses related to trade receivables and accrued income

As discussed in Note 19 to the consolidated financial statements, the Company maintains a credit loss allowance (the allowance) of £3.6 million in respect of trade receivables and accrued income totalling £72.8 million as of June, 30 2020. The allowance is recorded based on the Company's historical, observable default rates and is adjusted by a forward-looking estimate that includes consideration of macro-economic, customer segment, and customer specific trends and conditions.

We identified the evaluation of the allowance for credit losses related to trade receivables and accrued income as a critical audit matter. There was a high degree of subjective auditor judgement in assessing the assumptions used to determine the probability of the Company's collection of receivables, specifically the nature of any customer dispute and consideration of economic conditions that may affect the ability of customers to pay billed and unbilled fees.

The primary procedures we performed to address this critical audit matter included the following:

For certain customers, we inquired of relevant Company personnel to evaluate the rationale for establishing the allowance for trade receivables and accrued income. We obtained and inspected the Company's economic conditions analysis by sector compared to economic outlook market reports to evaluate the risk factors applied by the Company in determining which customers were at risk of default. We obtained and inspected relevant underlying documentation, including customer correspondance, historical collection trends, age of trade receivables, and realisation analyses to assess the Company's estimated allowance for customers at risk of default.

/s/ KPMG LLP

We have served as the Company's auditor since 2016.

London, United Kingdom
September 15, 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 30 June 2020, 2019 and 2018

	Note	2020 £'000	2019 £'000	2018 £'000
Revenue	**5**	**350,950**	**287,930**	**217,613**
Cost of sales				
Direct cost of sales		(233,352)	(174,152)	(132,775)
Allocated cost of sales		(17,447)	(14,951)	(12,668)
Total cost of sales		**(250,799)**	**(189,103)**	**(145,443)**
Gross profit		**100,151**	**98,827**	**72,170**
Selling, general and administrative expenses		(78,279)	(65,857)	(46,737)
Operating profit	**6**	**21,872**	**32,970**	**25,433**
Finance expense	9	(1,940)	(6,299)	(818)
Finance income	10	3,109	3,429	35
Net finance income/(expense)		1,169	(2,870)	(783)
Gain on sale of subsidiary	6	2,215	—	—
Profit before tax		**25,256**	**30,100**	**24,650**
Tax on profit on ordinary activities	11	(3,846)	(6,093)	(5,675)
Profit for the year and profit attributable to the equity holders of the Company		**21,410**	**24,007**	**18,975**
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations		(2,240)	(5,987)	(409)
Total comprehensive income for the year attributable to the equity holders of the Company		**19,170**	**18,020**	**18,566**
Earnings per share (EPS):	**13**			
Basic EPS		£ 0.40	£ 0.48	£ 0.42
Diluted EPS		£ 0.38	£ 0.44	£ 0.38
Weighted average number of shares outstanding - basic		53,423,575	50,116,979	45,100,165
Weighted average number of shares outstanding - diluted		56,065,080	55,026,223	50,426,216

The notes hereto form an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET

As of 30 June 2020 and 2019

	Note	2020 £'000	2019 £'000 (Restated) [1]
Assets - Non current			
Goodwill	14	56,885	36,760
Intangible assets	16	38,751	28,910
Property, plant and equipment	17	12,747	10,579
Lease right-of-use assets	23	51,134	—
Deferred tax assets	12	13,340	9,550
Financial assets	23	639	—
Total		**173,496**	**85,799**
Assets - Current			
Trade and other receivables	19	82,614	65,917
Corporation tax receivable		2,922	790
Financial assets	23	584	—
Cash and cash equivalents		101,327	70,172
Total		**187,447**	**136,879**
Total assets		**360,943**	**222,678**
Liabilities - Current			
Lease liabilities	23	11,132	21
Trade and other payables	20	58,599	48,502
Corporation tax payable		1,449	2,920
Contingent consideration	15	1,442	1,244
Deferred consideration	15	3,764	1,516
Total		**76,386**	**54,203**
Liabilities - Non-current			
Lease liabilities	23	42,233	—
Deferred tax liabilities	12	5,861	2,033
Other liabilities		136	113
Total		**48,230**	**2,146**
Equity			
Share capital	24	1,099	1,089
Share premium	27	221	128
Merger relief reserve		25,527	21,573
Retained earnings	27	214,638	146,963
Other reserves	27	(3,817)	(1,577)
Investment in own shares	27	(1,341)	(1,847)
Total		**236,327**	**166,329**
Total liabilities and equity		**360,943**	**222,678**

The notes hereto form an integral part of these consolidated financial statements.

(1) See note 3C for additional details

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the years ended 30 June 2020, 2019 and 2018

	Share capital £'000	Share premium £'000	Merger relief reserve £'000	Investment in own shares £'000	Retained earnings £'000	Capital redemption reserve £'000	Foreign exchange translation reserve £'000	Total £'000
Balance at 30 June 2017	**996**	**2,678**	**4,430**	**(2,275)**	**38,072**	**161**	**4,658**	**48,720**
Equity-settled share-based payment transactions	—	—	—	—	2,213	—	—	2,213
Transaction with owners	—	—	—	—	2,213	—	—	2,213
Profit for the year	—	—	—	—	18,975	—	—	18,975
Other comprehensive income	—	—	—	—	—	—	(409)	(409)
Total comprehensive income for the year	—	—	—	—	18,975	—	(409)	18,566
Balance at 30 June 2018 as previously reported	**996**	**2,678**	**4,430**	**(2,275)**	**59,260**	**161**	**4,249**	**69,499**
Hyperinflation adjustment					65			65
Balance at 30 June 2018 as restated	**996**	**2,678**	**4,430**	**(2,275)**	**59,325**	**161**	**4,249**	**69,564**
Equity-settled share-based payment transactions	—	—	—	—	15,392	—	—	15,392
Cancellation of share premium	—	(48,614)	—	—	48,614	—	—	—
Issuance of new shares	65	45,936	—	—	—	—	—	46,001
Issuance of shares related to acquisition (restated) [1]	23	—	17,143	—	—			17,166
Exercise of options	5	128	—	428	(428)	—	—	133
Hyperinflation adjustment	—	—	—	—	53	—	—	53
Transaction with owners (restated) [1]	**93**	**(2,550)**	**17,143**	**428**	**63,631**	—	—	**78,745**
Profit for the year	—	—	—	—	24,007	—	—	24,007
Other comprehensive income [2]	—	—	—	—	—	—	(5,987)	(5,987)
Total comprehensive income for the year	—	—	—	—	24,007	—	(5,987)	18,020
Balance at 30 June 2019 (restated) [1]	**1,089**	**128**	**21,573**	**(1,847)**	**146,963**	**161**	**(1,738)**	**166,329**
Equity-settled share-based payment transactions	—	—	—	—	15,966	—	—	15,966
Issuance of shares related to acquisition	2	—	3,954	—	—	—	—	3,956
Sales of shares (EBT)	—	—	—	207	30,710	—	—	30,917
Exercise of options	8	93	—	299	(385)	—	—	15
Hyperinflation adjustment	—	—	—	—	(26)	—	—	(26)
Transaction with owners	**10**	**93**	**3,954**	**506**	**46,265**	—	—	**50,828**
Profit for the year	—	—	—	—	21,410	—	—	21,410
Other comprehensive income	—	—	—	—	—	—	(2,240)	(2,240)
Total comprehensive income for the year	—	—	—	—	**21,410**	—	**(2,240)**	**19,170**
Balance at 30 June 2020	**1,099**	**221**	**25,527**	**(1,341)**	**214,638**	**161**	**(3,978)**	**236,327**

The notes hereto form an integral part of these consolidated financial statements. (1) See note 3C for additional details; (2) See note 14 for additional details.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended 30 June 2020, 2019 and 2018

	Note	2020 £'000	2019 £'000	2018 £'000
Operating activities				
Profit for the year		**£ 21,410**	**£ 24,007**	**£ 18,975**
Income tax charge		3,846	6,093	5,675
Non-cash adjustments	28	28,622	21,390	6,249
Tax paid		(5,876)	(5,904)	(5,608)
UK research and development credit received		—	1,278	1,854
Net changes in working capital	28	(7,759)	(11,516)	6,839
Net cash from operating activities		**40,243**	**35,348**	**33,984**
Investing activities				
Purchase of non-current assets (tangibles and intangibles)		(9,880)	(7,383)	(5,483)
Proceeds from disposal of non-current assets		195	57	79
Acquisition of business / subsidiaries, consideration in cash		(26,595)	(3,201)	(28,765)
Proceeds from sale of subsidiary net of cash disposed of		2,744	—	—
Cash and cash equivalents acquired with subsidiaries		3,289	—	2,342
Interest received		499	476	35
Net cash used in investing activities		**(29,748)**	**(10,051)**	**(31,792)**
Financing activities				
Proceeds from borrowings		—	3,500	26,462
Proceeds from sublease		668	—	—
Repayment of borrowings		(956)	(23,547)	(36,768)
Repayment of lease liabilities		(9,903)	—	—
Grant received		888	1,784	147
Interest paid		(829)	(343)	(573)
Net proceeds from initial public offering		—	44,828	—
Proceeds from sale of shares		30,917	—	—
Proceeds from exercise of options		93	133	—
Net cash from/(used in) financing activities		**20,878**	**26,355**	**(10,732)**
Net change in cash and cash equivalents		**31,373**	**51,652**	**(8,540)**
Cash and cash equivalents at the beginning of the year		**70,172**	**15,048**	**23,571**
Net foreign exchange differences		**(218)**	**3,472**	**17**
Cash and cash equivalents at the end of the year		**£ 101,327**	**£ 70,172**	**£ 15,048**

The notes hereto form an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Reporting Entity

Endava plc (the "Company" and, together with its subsidiaries, the "Group" and each a "Group Entity") is domiciled in London, United Kingdom. The address of the Company's registered office is 125 Old Broad Street, London, EC2N 1AR. The Group's expertise spans the entire ideation-to-production spectrum, creating value for our clients through creation of Product and Technology Strategies, Intelligent Digital Experiences, and World Class Engineering, delivered through our 24 capabilities, grouped into four key areas: Define, Design, Build and Run & Evolve.

These consolidated financial statements do not constitute the company's statutory accounts for the years ended 30 June 2020, 2019 or 2018.

2. Application Of New and Revised International Financial Reporting Standards ("IFRS")

The Group has applied the requirements of IFRS 16 'Leases' from 1 July 2019. This has had a material impact on the financial statements, as further explained below.

A number of other new standards, interpretations and amendments to existing standards were also effective for the Group from 1 July 2019 but they do not have a material effect on the financial statements.

Due to the transition methods chosen by the Group in applying these standards, interpretations and amendments to existing standards, comparative information throughout these financial statements has not been restated to reflect the new requirements.

IFRS 16 - 'Leases'

IFRS 16 replaces IAS 17 'Leases' and related interpretations. The standard requires lessees to recognise right-of-use assets and lease liabilities for all leases meeting the lease definition set out by the standard unless certain exemptions are available. Accounting for lessors is largely unchanged.

The Group has adopted IFRS 16 using the modified retrospective basis of adoption with the date of initial application of 1 July 2019. Under this basis, the cumulative effect of initially applying the standard is applied as an adjustment to the opening balance of retained earnings as at 1 July 2019. Prior year comparatives have not been restated for the effect of IFRS 16 and are presented as historically disclosed under IAS 17.

The majority of the Group's lease portfolio relates to property leases of offices and delivery centres. The Group also previously leased certain items of office equipment.

The Group previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Group. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for all leases except for short-term leases and leases of low value assets.

Previously, the Group classified its property leases as operating leases under IAS 17. Leased property was not capitalised and the lease payments were recognised as rent expense in the statement of comprehensive income on a straight-line basis over the lease term. Any prepaid or accrued rent were recognised under prepayments and accruals, respectively.

On transition, for these leases, lease liabilities were measured at the present value of the remaining lease payments, discounted at an appropriate incremental borrowing rate as at 1 July 2019. Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepayments or accruals relating to leases.

On transition, the Group elected not to reassess whether a contract is, or contains, a lease, instead relying on the assessment already made applying IAS 17 'Leases' and IFRIC 4 'Determining whether an Arrangement contains a Lease'. In addition, the Group elected to use the following practical expedients and recognition exemptions available when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

- the recognition exemption for lease contracts that, at their commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases);
- accounting for leases ending within 12 months of the date of transition as short-term leases;
- the recognition exemption for lease contracts for which the underlying asset value is of low value (low-value assets);
- to use hindsight in determining the lease term where contracts contained options to extend or terminate the lease;
- exclusion of initial direct costs from the measurement of the right-of-use asset recognised on initial adoption of the standard;
- adjustment of the right-of-use asset on transition by the amount of any previously recognised onerous lease provision, as an alternative to performing an impairment review; and
- where appropriate, arrangements containing both lease and non-lease components being accounted for as though they comprise a single-lease component.

The Group also previously leased certain items of office equipment. These leases were classified as finance leases under IAS 17. The lease term of all such assets ended within 12 months of the date of initial application of IFRS 16, and therefore the Group did not recognise right-of-use assets in relation to these leases.

At transition, the Group did not have any arrangements in which it acted as a lessor.

Impact on financial statements

On transition to IFRS 16, the Group recognised additional right-of-use assets of £40.2 million, and additional lease liabilities of £40.2 million.

The impact on the Consolidated Balance Sheet on transition is summarised below.

	30 June 2019 £'000	IFRS 16 impact £'000	1 July 2019 £'000
Assets - Non current			
Right-of-use assets	—	40,222	40,222
Assets - Current			
Prepayments	5,734	(781)	4,953
Liabilities - Current			
Lease liabilities	(21)	(8,625)	(8,646)
Accruals	(33,326)	732	(32,594)
Liabilities - Non current			
Lease liabilities	—	(31,548)	(31,548)

The lease liability brought onto the balance sheet at transition of £40 million was measured by discounting the remaining lease payments using the incremental borrowing rate applicable to each lease at the date of initial application. The weighted average incremental borrowing rate applied was 2.75%.

The reconciliation of operating lease commitments disclosed at 30 June 2019 to lease liabilities recognised at 1 July 2019 is summarised below:

	1 July 2019 £'000
Operating lease commitments disclosed as at 30 June 2019	**58,473**
Effect of discounting under the specific incremental borrowing rate	(3,937)
Adjustment as a result of different treatment of extension options	5,417
Short-term leases recognised as an expense on a straight-line basis	(435)
Adjustment for leases contracted but not yet commenced	(10,142)
Adjustment for service charges included in operating lease commitments, not included in lease liability under IFRS 16	(9,203)
Additional lease liabilities recognised as a result of IFRS 16	**40,173**
Existing finance leases	21
Total lease liabilities recognised as at 1 July 2019	**40,194**

We have presented right-of-use assets and the current and non-current elements of lease liabilities on the face of the Consolidated Balance Sheet. Additionally, to support the additional lessee accounting disclosure requirements introduced by IFRS 16 we have added a dedicated note (note 23) which explains movements in the right-of-use assets during the year, along with other relevant disclosures.

There is no overall impact on the Group's cash and cash equivalents, however the Consolidated Statement of Cash Flows has been revised to present the element of cash lease payments attributable to lease interest expense and the element attributable to repayment of lease liabilities within cash flows from financing activities.

New and amended accounting standards that have been issued but are not yet effective

The following new or amended standards and interpretations are applicable in future periods but are not expected to have a significant impact on the Group's consolidated financial statements and related disclosures.

Effective for annual periods beginning on or after January 2020:

- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IFRS 3: Definition of a Business
- Amendments to IAS 1 and IAS 8: Definition of Material
- Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform

Effective for annual periods beginning on or after June 2020:

- Amendments to IFRS 16: COVID 19-Related Rent Concessions

Effective for annual periods beginning on or after January 2022:

- Amendments to IFRS 1, IFRS 9 and IAS 41: Annual Improvements to IFRS Standards 2018-2020
- Amendments to IFRS 3: Reference to the Conceptual Framework
- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current
- Amendments to IAS 16: Property, Plant and Equipment: Proceeds before Intended Use
- Amendments to IAS 37: Onerous Contracts - Cost of Fulfilling a Contract

Effective for annual periods beginning on or after January 2023:

- IFRS 17 - Insurance Contracts

3. Significant Accounting Policies

A. Statement of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB") and which were in effect at 30 June 2020.

The consolidated financial statements were authorised for issue by the Board on 15 September 2020.

B. Basis of Preparation

The consolidated financial statements have been prepared on a historical cost convention, except where IFRS requires or permits fair value measurement.

The principal accounting policies adopted by the Group in the preparation of the consolidated financial statements are set out below.

C. Restatement for reclassification of share premium to merger relief reserve

During 2020 fiscal year, following a review of the share premium account, the Directors have determined that share premium of £17,143,000, which arose during the year ended 30 June 2019 upon settlement of the contingent equity consideration for the acquisition of Velocity Partners, should have been classified as merger relief reserve. The impact of this restatement at 30 June 2019 is to decrease share premium by £17,143,000 to £128,000 with a corresponding increase to the merger relief reserve by £17,143,000 to £21,573,000. There is no impact on total equity, on profit or earnings per share in the current year or any earlier periods.

D. Functional and Presentation Currency

The consolidated financial statements are presented in British Pound Sterling ("Sterling"), which is the Company's functional currency. All financial information presented in Sterling has been rounded to the nearest thousand, except when otherwise indicated.

E. Cost of Sales

The Group divides cost of sales into two categories: direct cost of sales and allocated cost of sales. Direct cost of sales consists primarily of personnel costs, including salary, bonuses, share-based compensation, benefits and travel expenses for the Group's employees directly involved in delivery of the Group's services, as well as software licenses and other costs that relate directly to the delivery of services. Allocated cost of sales consists of the portion of depreciation and amortisation expense and property costs related to delivery of the Group's services.

F. Use of Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts for assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key areas involving estimates and judgments that have the most significant effect on the amounts recognised in the Consolidated Financial Statements, are as follows:

Business Combinations

Business acquisitions are accounted for using the acquisition method. The results of businesses acquired in a business combination are included in our consolidated financial statements from the date of the acquisition. Purchase accounting results in assets and liabilities of an acquired business being recorded at their estimated fair values on the

acquisition date. Any excess consideration over the fair value of assets acquired and liabilities assumed is recognised as goodwill.

We perform valuations of assets acquired and liabilities assumed on each acquisition accounted for as a business combination and allocate the purchase price to the tangible and intangible assets acquired and liabilities assumed based on our best estimate of fair value. In making these determinations, we are required to make estimates and assumptions that affect the recorded amounts, including future revenue growth, client attrition rates, and discount rates impacting the valuation of client relationship intangible assets. To assist us in making these fair value determinations, we may engage third party valuation specialists.

We determine the appropriate useful life of intangible assets by performing an analysis of cash flows based on historical experience of the acquired businesses. Intangible assets are amortised over their estimated useful lives based on the pattern in which the economic benefits associated with the asset are expected to be consumed, which to date has approximated the straight-line method of amortisation.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of contingent consideration are recognised in profit and loss. At 30 June 2018, the Group held a financial liability measured at fair value of £11.3 million which was considered a major source of estimation uncertainty. During fiscal year ended 30 June 2019, the liability was settled through issuance of new shares, resulting in a fair value adjustment of £5.8 million. The valuation methodology, key assumptions and narrative sensitivity are disclosed in notes 15 and 21.

Transaction costs associated with business combinations are expensed as incurred and are included in selling, general and administrative expenses.

Other than contingent consideration as of 30 June 2018, there are no assumptions made about the future and other sources of estimation uncertainty at the balance sheet date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities acquired within the next financial year.

Further detailed information in relation to business combinations is included in note 15 to the financial statements.

Recoverability of trade and other receivables

We initially recognise trade and other receivables at fair value, which is usually the original invoiced amount. They are subsequently carried at amortised cost using the effective interest method. The carrying amount of these balances approximates to fair value due to the short maturity of amounts receivable.

Trade receivables are non-interest bearing and are generally on 30 to 90 day terms depending on the geographical territory in which sales are generated. We know that certain debts due to us may not be paid through the default of a small number of our customers. Accordingly, we recognise an expected credit loss allowance, which is deducted from the gross carrying amount of the receivable. The allowance is calculated by reference to credit losses expected to be incurred over the lifetime of the receivable. In estimating a loss allowance we consider historical experience and forward-looking informed credit assessment relating to customer specific trends and conditions alongside other factors such as the current state of the economy and particular industry issues. We consider reasonable and supportable information that is relevant and available without undue cost or effort. Due to the global financial uncertainty arising from the COVID-19 pandemic, management has considered the elevated credit risk on trade receivables. In addition, certain balances (where there was an objective evidence of credit impairment) have been provided for on an individual basis.

G. Going concern

The COVID-19 outbreak since early 2020, which has resulted in the implementation of travel restrictions, quarantines and extended shutdowns of certain businesses globally, has brought about additional uncertainties in the Group's operating environment. The ongoing impact of COVID-19 has resulted in many countries around the world imposing lockdowns, shelter-in-place orders, quarantines, restrictions on travel and mass gatherings, including the

cancellation of trade shows and other events, and the extended shutdown of non-essential businesses that cannot be conducted remotely.

The Group has been closely monitoring the impact of the developments on its businesses, mainly because the continuous worsening of global business and economic conditions may impact the stability of operations and could have an adverse impact on the earnings of the Group. While there have been disruptions to manufacturing and supply chains around the world, the impact on the Group's operations and liquidity has not been substantial. The Group continues to support our customers in keeping their supply chains running.

In accordance with IAS 1 'Presentation of financial statements', and revised FRC guidance on 'risk management, internal control and related financial and business reporting', the Directors have considered the funding and liquidity position of the Group and have assessed the Group's ability to continue as a going concern for the foreseeable future. In doing so, the Directors have reviewed the Group's budget and forecasts, and have taken into account all available information about the future for a period of at least, but not limited to, 12 months from the date of approval of these financial statements.

The Group meets its day-to-day working capital requirements and medium-term funding requirements through its trading cash flows. At 30 June 2020, the Group had net assets of £236.3m and net current assets of £111.1m, of which £101.3m was cash and cash equivalents. In addition, the Group has a currently unused revolving credit facility (RCF) of £200m. The Directors remain satisfied with the Group's funding and liquidity position.

In response to the risks outlined above, and its potential impact on the Group's ability to continue as a going concern, the Directors have considered the business activities and the Group's principal risks and uncertainties in the context of the current operating environment. This includes possible impacts of the global COVID-19 pandemic on the Group and reviews of liquidity and covenant forecasts. The potential financial impact of the COVID-19 pandemic has been modelled in our cash flow projections to produce a baseline forecast scenario. This baseline scenario reflects the current business disruption, deterioration in economic conditions and the resulting impact on customers and operations.

The Directors have also considered sensitivities in respect of potential downside scenarios over and above the baseline scenario, and the mitigating actions available in concluding that the Group is able to continue in operation for a period of at least 12 months from the date of approval of these financial statements. The specific scenarios modelled included a downside scenario with a U-shaped revenue impact from COVID-19 leading to three quarters of suppressed revenues followed by a gradual recovery, and a severe but plausible downside scenario with a broader U-shaped revenue impact leading to five quarters of suppressed revenues followed by a gradual recovery.

In the downside scenario, forecast revenue has been stressed by an extended period, reducing the baseline revenue forecast by 12%, with no reduction in the costs included in the baseline scenario. In this scenario our closing cash balance for the forecast period is reduced by £56m, but still remains positive at 30th June 2021 and 31st Dec 2021, and no draw-down from the RCF would be required.

In the severe but plausible downside scenario, forecast revenue has been stressed by a further extended period, reducing the baseline revenue forecast by 40%, and reducing baseline forecast cash by £87m. Again however, the resulting forecast cash position remains positive at 30th June 2021 and 31st Dec 2021, and no draw-down from the RCF would be required. This scenario also includes certain cost mitigation adjustments.

Our Q4 revenue in 2020 was £90.5m, which was a sequential decrease of 2% on our Q3 revenue of £92.2m. Q4 revenue was however, 5% and 10% higher than Q2 and Q1 respectively. This demonstrates that despite being in the COVID-19 lockdown environment during Q4, we were able to largely sustain revenue and we have a reasonable baseline which we expect to build on during fiscal 2021.

Throughout each of the scenarios considered, the Group's cash position continues to remain strong throughout the forecast period. As noted above, the Group has an unused RCF of £200m, funded by a group of banks. On the basis of the Group's existing cash reserves and projections, the Directors do not expect to need to draw down on the RCF in the foreseeable future, even in the most stressed scenario considered. Should a more extreme downside scenario occur, additional mitigating actions could be taken, such as reductions in other discretionary operating costs and non-committed capital expenditure.

Having considered the outcome of these assessments, the Directors consider that the Group has adequate resources to continue in operation for the foreseeable future, being at least 12 months from the date of approval of these financial statements, and accordingly continue to adopt the going concern basis in preparing the financial statements.

H. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities controlled by the Group made up to 30 June each year.

(i) Business combinations

Business acquisitions are accounted for using the acquisition method. The results of businesses acquired in a business combination are included in the consolidated financial statements from the date of the acquisition. Purchase accounting results in assets and liabilities of an acquired business being recorded at their estimated fair values on the acquisition date. Any excess consideration over the fair value of assets acquired and liabilities assumed is recognised as goodwill.

The Group performs valuations of assets acquired and liabilities assumed on each acquisition accounted for as a business combination and allocates the purchase price to the tangible and intangible assets acquired and liabilities assumed based on management's best estimate of fair value. The Group determines the appropriate useful life of intangible assets by performing an analysis of cash flows based on historical experience of the acquired businesses. Intangible assets are amortised over their estimated useful lives based on the pattern in which the economic benefits associated with the asset are expected to be consumed, which to date has approximated the straight-line method of amortisation.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of contingent consideration are recognised in statement of comprehensive income.

Transaction costs associated with business combinations are expensed as incurred and are included in selling, general and administrative expenses.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(iii) Transactions eliminated on consolidation

All transactions and balances between Group Entities are eliminated on consolidation, including unrealised gains and losses on transactions between Group Entities. Where unrealised losses on intra-Group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective.

I. Foreign Currency

(i) Foreign currency balances and transactions

Foreign currency transactions are translated into the functional currency of the applicable Group Entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at period-end exchange rates are recognised in statement of comprehensive income. Non-monetary items are not retranslated at period-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

(ii) Foreign operations

In the consolidated financial statements, all assets, liabilities and transactions of Group Entities with a functional currency other than Sterling are translated into Sterling upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period.

On consolidation, assets and liabilities have been translated into Sterling at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Sterling at the closing rate. Income and expenses have been translated into Sterling at the average rate over the reporting period. Exchange differences are charged/credited to other comprehensive income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are reclassified to statement of comprehensive income and are recognised as part of the gain or loss on disposal.

Accounting standards are applied on the assumption that the value of money (the unit of measurement) is constant over time. However, when the rate of inflation is no longer negligible, a number of issues arise impacting the true and fair nature of the accounts of entities that prepare their financial statements on a historical cost basis. To address such issues, entities apply IAS 29 Financial Reporting in Hyperinflationary Economies from the beginning of the period in which the existence of hyperinflation is identified. Based on the statistics published in July 2018, the 3-year cumulative rate of inflation for consumer prices and wholesale prices in Argentina reached a level of about 123% and 119%, respectively. On that basis, Argentina was considered an hyperinflationary economy since July 1, 2018. As 30 June 2020 and 2019 the Company has recognised the effects of inflation in their financial statements. The Company also has a subsidiary in Venezuela that is considered a hyperinflationary economy but the functional currency of this company is the U.S. dollar.

J. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

- Financial assets at fair value through profit or loss

Financial assets at amortised cost

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes cash and cash equivalents, trade and substantially all other receivables.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss. The Group don't hold any financial assets at fair value through OCI.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. The Group don't hold any financial assets designated at fair value through OCI.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of comprehensive income. The Group does not currently hold any financial assets at fair value through profit or loss.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(ii) Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income. This category applies to Group's interest-bearing loans and borrowings.

iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iv) Impairment

The Group recognises an allowance for expected credit losses (ECLs) for trade receivables and contract assets. The Group applies the simplified approach available in IFRS 9. The allowance is calculated by reference to credit losses expected to be incurred over the lifetime of the receivable. In estimating a loss allowance we consider historical experience and forward-looking informed credit assessment relating to customer specific trends and conditions alongside other factors such as the current state of the economy and particular industry issues. We consider reasonable and supportable information that is relevant and available without undue cost or effort. Due to the global financial uncertainty arising from the COVID-19 pandemic, management has considered the elevated credit risk on trade receivables. In addition, certain balances (where there was an objective evidence of credit impairment) have been provided for on an individual basis.

K. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of an item of property, plant and equipment comprises:

(a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;

(b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and

(c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between net proceeds from disposal and the carrying amount of the item) is recognised in the statement of comprehensive income.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the leased term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the leased term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computers and equipment	3 - 5 years
Fixtures and fittings	5 years
Leasehold improvement fittings	Over the lease term
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

L. Intangible assets and goodwill

(i) Goodwill

Goodwill represents the excess of the aggregate purchase price paid over the fair value of the net assets acquired in our business combinations. Goodwill is not amortised and is tested for impairment at least annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Intangible assets generated by new acquisitions are separately assessed for impairment in the year in which the acquisition occurred and are assessed on a consolidated basis with all other acquired intangible assets beginning in the year following the acquisition.

Events or changes in circumstances that could trigger an impairment review include a significant adverse change in business climate, an adverse action or assessment by a regulator, unanticipated competition, a loss of key personnel, significant changes in the manner of the Group's use of the acquired assets or the strategy for the Group's overall business, significant negative industry or economic trends, or significant underperformance relative to expected historical or projected future results of operations.

If the fair value of the reporting unit is less than book value, the carrying amount of the goodwill is compared to its recoverable amount. The estimate of recoverable amount may require valuations of certain internally generated and unrecognised intangible assets. If the carrying amount of goodwill exceeds the recoverable amount of that goodwill, an impairment loss is recognised in an amount equal to the excess. The Group tests for goodwill impairment on 30 June of each year.

(ii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets that are acquired by the Group in a business combination and have finite useful lives are measured at fair value at acquisition date less accumulated amortisation and accumulated impairment losses.

(iii) Internally-generated intangible assets

Intangible assets arising from development are recognized if, and only if, all the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;

- the intention to complete the intangible asset and use or sell it;

- the ability to use or sell the intangible asset;

- how the intangible asset will generate probable future economic benefits;

- the ability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and

- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally-generated assets is the sum of expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred. Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(iv) Subsequent expenditure

Subsequent expenditure is only capitalised when it increases the future economic benefits embodied in the specific asset to which is relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in the statement of comprehensive income as incurred.

(v) Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis in the statement of comprehensive income over their estimated useful lives, from the date they are available for use.

Client relationship	5 - 10 years
Trade name	5 years
Supplier relationships	5 years
Non-compete agreement	3 years
Computer software	3 - 10 years
Licences	Shorter of licence period and up to 3 years
Software - own work capitalised	3 - 5 years

M. Lease agreements

The Group has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4. The details of accounting policies under IAS 17 and IFRIC 4 are disclosed separately.

Policy applicable from 1 July 2019

The Group assesses whether a contract is, or contains, a lease at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

This policy is applied to contracts entered into, on or after 1 July 2019.

The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date with respect to all lease arrangements except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the lease payments are recognised as an operating expense on a straight-line basis over the term of the lease.

As the majority of the Group's lease portfolio relates to property leases of offices and delivery centres, the Group has elected not to separate non-lease components and therefore accounts for the lease and non-lease component as a single lease component.

Right-of-use assets are initially measured at cost, comprising the initial amount of the corresponding lease liability, adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and

an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, right-of-use assets are adjusted for any remeasurement of lease liabilities. Right-of-use assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be fully recoverable.

Lease liabilities are initially measured at the present value of the lease payments that are due over the lease term, which have not been paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate applicable to each lease. This is the rate that the Group would have to pay for a loan of a similar term, and with a similar security, to obtain an asset of a similar value.

The Group calculates the incremental borrowing rate applicable to each lease by obtaining information from various external sources in relation to interest rates and credit risk and makes certain adjustments to reflect the terms of the lease, the type of asset leased, the country and currency of the lease.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be paid under residual value guarantees;
- the exercise price of any purchase options that are reasonably certain to be exercised;
- payments due over optional renewal periods that are reasonably certain to be exercised; and
- penalties for early termination of a lease where we are reasonably certain to terminate early.

Any variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

Lease liabilities are subsequently measured at amortised cost using the effective interest method. Lease liabilities are remeasured if there is a modification, a change in future lease payments due to a renegotiation or market rent review or a change of an index or rate, or the amount expected to be payable under a residual guarantee, or if we change our assessment of whether we will exercise a purchase, renewal or termination option. When a lease liability is remeasured, a corresponding adjustment is made to the related right-of-use asset.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group presents right-of-use assets and lease liabilities as separate line items on the face of the balance sheet.

The Group as a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, the head-lease and sub-lease are accounted for as two separate contracts. The head lease is accounted for as per the lessee policy above. The sub-lease is classified as a finance lease or operating lease by reference to the right-of-use asset arising from the head lease. Where the lease transfers substantially all the risks and rewards of ownership to the lessee the contract is classified as a finance lease; all other leases are classified as operating leases. If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Amounts due from lessees under finance sub-leases are recognised as receivables at the amount of the Group's net investment in the leases, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the discount rate used in the head lease.

Policy applicable before 1 July 2019

Finance lease agreements

Where the Group enters into a lease that entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as property, plant and equipment and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included within borrowings. Rentals payable are apportioned between the finance element, which is charged to the statement of comprehensive income on a straight-line basis, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease agreements

Rental payments applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Lease incentives (such as rent-free periods or contributions by the lessor to the lessee's relocation costs) are considered an integral part of the consideration for the use of the leased asset. Incentives are treated as a reduction of lease income or lease expense. As they are an integral part of the net consideration agreed for the use of the leased asset, incentives are recognised by both the lessor and the lessee over the lease term, with each party using a single amortisation method applied to the net consideration.

Lease payments

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Determining whether an arrangement contains a lease

At the inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. This will be the case if the following two criteria are met:

- The fulfilment of the arrangement is dependent on the use of a specific asset or assets; and
- The arrangement contains the right to use the asset(s).

N. Impairment

(i) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting period to determine whether there is any indication of impairment. Goodwill and indefinite-lived intangible assets are tested at least annually for impairment.

For impairment assessment purposes, non-financial assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors goodwill.

Cash-generating units to which goodwill has been allocated (determined by the Group's management as equivalent to its operating segments) are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in use.

To determine the value-in-use, management estimates expected future cash flows from each cash generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Group's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors. Impairment losses for cash-generating units reduce first the carrying amount of any goodwill allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

(ii) Non-derivative financial assets

A financial asset not classified as at fair value to profit and loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

O. Employee benefits

(i) Termination benefits

Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic probability of withdrawal, to a formal detailed plan to either terminate employment before retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits of voluntary redundancies are recognised as an expense if the Group has made an offer to voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If the benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured at an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The Group operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the statement of comprehensive income.

(iii) Employee benefit trust

All assets and liabilities of the Endava Limited Guernsey Employee Benefit Trust ("the EBT") have been consolidated in the consolidated financial statements as the Group has de facto control over the EBT's net assets. Any assets held by the EBT cease to be recognised on the Consolidated Balance Sheet when the assets vest unconditionally in identified beneficiaries.

The costs of purchasing own shares held by the EBT are shown as a deduction against equity of the Group. The proceeds from the sale of own shares held by the EBT increases shareholders' funds. Neither the purchase nor sale of own shares leads to a gain or loss being recognised in the Group's statement of comprehensive income.

(iv) Employee share schemes and share based payments

The Group issues equity settled share options to its employees. The payments are measured at fair value at date of grant. The fair value of the share options issued is expensed to the statement of comprehensive income account on a straight line basis over the vesting period, based on the Group's estimate of the number of options that will eventually vest, updated at each balance sheet date.

P. Revenue

The Group generates revenue primarily from the provision of its services and recognise revenue in accordance with IFRS 15 – "Revenue from Contracts with Customers." Revenue is measured at fair value of the consideration received, excluding discounts, rebates, taxes and duties. The Group's services are generally performed under time-and-material based contracts (where materials consist of travel and out-of-pocket expenses), fixed-price contracts and managed service contracts.

Under time-and-materials based contracts, the Group charges for services based on daily or hourly rates and bills and collects monthly in arrears. Revenue from time-and-materials contracts is recognised as services are performed, with the corresponding cost of providing those services reflected as cost of sales when incurred.

Under fixed-price contracts, the Group bills and collects monthly throughout the period of performance. Revenue is recognised in the accounting periods in which the associated services are rendered. In instances where final acceptance of a deliverable is specified by the client and there is risk or uncertainty of acceptance, revenue is deferred until all acceptance criteria have been met. The cumulative impact of any revision in estimates is reflected in the financial reporting period in which the change in estimate becomes known.

Under managed service contracts, the Group typically bills and collects upon executing the applicable contract and typically recognises revenue over the service period on a straight-line basis. Certain of the Group's managed service contracts contain service-level commitments regarding availability, responsiveness, security, incident response and/or fulfilment of service and change requests. To the extent the Group has an uncertainty regarding its ability to comply with a service-level commitment, recognition of revenue related to the applicable contract would be deferred until the uncertainty is resolved and revenue recognised would be restricted to the extent of any provision made for potential damages or service-level credits. Further, to the extent the Group believes that it is probable that an outflow of resources may be required to address non-compliance with a service-level commitment, a provision would be made to cover the expected cost.

The Group accounts for a contract when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group identifies its distinct performance obligations under each contract. A performance obligation is a promise in a contract to transfer a distinct product or service to the customer. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring products or services to a customer. With respect to all types of contracts, revenue is only recognised when the performance obligations are satisfied and the control of the services is transferred to the customer, either over time or at a point in time, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services. Consideration from contracts with customers is allocated to the performance obligations identified based on their relative standalone selling price which is generally directly observable from sales to similarly situated clients. The Group also considers whether there

are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer. Anticipated profit margins on contracts are reviewed monthly by the Group and, should it be deemed probable that a contract will be unprofitable, any foreseeable loss would be immediately recognised in full and provision would be made to cover the lower of the cost of fulfilling the contact and the cost of exiting the contract.

Q. Government grants

Government grants are assistance by government in the form of transfers of resources to the Group in return for past or future compliance with certain conditions relating to the operating activities of the Group. They exclude those forms of government assistance that cannot reasonably have a value placed upon them and transactions with government that cannot be distinguished from the normal trading transactions of the entity. Government grants are accounted for using the income approach under which they are recognised in the statement of comprehensive income on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Following IAS 20 presentation options, the Group presents the grant related to income as a deduction from the related expense.

R. Finance income and finance expense

Finance expense consists primarily of interest expense on borrowings and leases, running costs related to the Company's revolving credit facility and unwinding of the discount on acquisition holdbacks and contingent consideration. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of comprehensive income using the effective interest method. Finance income consists of interest income on funds invested. Interest income is recognised as it accrues in the statement of comprehensive income, using the effective interest method.

Finance income and finance costs also reflect the net effect of realised and unrealised foreign currency exchange gains and losses.

S. Income taxes

Tax expense recognised in the statement of comprehensive income comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Amounts receivable in respect of research and development tax credits are recognised in the financial statements in the year in which the related expenditure was incurred, provided there is sufficient evidence that these amounts are recoverable. These credits are recognised within cost of sales in the group statement of comprehensive income.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with investments in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective periods of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income, based on the Group's forecast of future operating results which is adjusted for significant non-taxable

income and expenses and specific limits to the use of any unused tax loss or credit. Deferred tax liabilities are always provided for in full.

Deferred tax assets and liabilities are offset only when the Group has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in the statement of comprehensive income, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

T. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of changes in value.

U. Equity, reserves and dividend payments

Share capital represents the nominal value of shares that have been issued.

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Other components of equity include the following:

- Translation reserve comprises foreign currency translation differences arising from the translation of financial statements of the group's foreign entities into Sterling;
- Capital redemption reserve is created to maintain the statutory capital maintenance requirements of the Companies Act 2006;
- Merger relief reserve balance represents the fair value of the consideration given in excess of the nominal value of the ordinary shares issued in a business combination; and
- Retained earnings include all current and prior period retained profits.

All transactions with equity shareholders of the Company are recorded separately within equity. Dividend distributions payable to equity shareholders of the Company are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

Investment in own shares represents shares held by the EBT.

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by dividing the profit or loss attributable to equity holders of the Company, adjusted by fair value movement of financial liabilities and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which include awards under share award schemes and share options granted to employees.

V. Share split

On 6 July 2018, the Company completed a five for one share split of each class of ordinary shares. This share split has been reflected in the financial statements impacting earnings per share calculations and disclosures regarding the number of ordinary shares. This is reflected in Notes 13, 24, 26 and 27 of these financial statements.

4. Operating Segment Analysis

Operating segments are components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker ("CODM") in deciding on how to allocate resources and in assessing performance. The Company's CODM is considered to be the Company's chief executive officer ("CEO"). The CEO reviews financial information presented on a Group level basis for purposes of making operating decisions and assessing financial performance. Therefore, the Group has determined that it operates in a single operating and reportable segment.

Major Customer

Worldpay (UK) Limited, or together with Worldpay Group Limited and its consolidated subsidiaries, Worldpay, was our largest client for each of the last three years, contributing less than 10.0% in both 2020 and 2019 and 10.8% in 2018 of our total revenue.

Geographical Information of Group's Non-Current Assets

Geographical information about the Group's non-current assets (excluding deferred tax asset) is based on locations where the assets are accumulated:

	2020 £'000	2019 £'000
United Kingdom	£ 38,284	£ 26,436
North America	28,321	29,248
Europe	30,491	6,779
RoW [1]	11,287	13,786
Total	**£ 108,383**	**£ 76,249**

(1) Rest of World

5. Revenue

Set out below is the disaggregation of the Group's revenue from contracts with customers by geographical market, based on where the service is being delivered to:

	2020 £'000	2019 £'000	2018 £'000
United Kingdom	£ 155,507	£ 129,513	£ 98,571
North America	100,089	79,231	45,600
Europe	85,882	79,186	73,442
RoW[1]	£ 9,472	£ —	£ —
Total	**£ 350,950**	**£ 287,930**	**£ 217,613**

(1) Rest of World (RoW) is a new geography highlighted in fiscal year ended June 30, 2020. In previous years, clients located in RoW were immaterial.

The Group's revenue by industry sector is as follows:

	2020 £'000	2019 £'000	2018 £'000
Payments and Financial Services	£ 185,175	£ 152,179	£ 123,675
TMT	90,255	78,888	61,095
Other	75,520	56,863	32,843
Total	**£ 350,950**	**£ 287,930**	**£ 217,613**

The Group's revenue by contract type is as follows:

	2020 £'000	2019 £'000	2018 £'000
Time and materials contracts	£ 305,766	n/a*	n/a*
Fixed price contracts	45,184	n/a*	n/a*
Total	**£ 350,950**	**£ 287,930**	**£ 217,613**

* A comparable breakdown of revenue by contract type is not available for previous financial years, due to internal billing systems changes that were implemented in the 2019 fiscal year.

As at 30 June 2020, the aggregate transaction value of revenue that has not been recognised relating to unsatisfied, or partially satisfied, performance obligations was £61 million. This relates to fixed price contracts with forward contractual commitments.This revenue is expected to be recognised over the following time periods:

	£'000
Less than 1 year	£ 28,405
1 to 2 years	16,917
2 to 3 years	11,040
More than 3 years	4,228
Total	**£ 60,590**

Revenue recognised in the fiscal 2020 year relating to performance obligations that were satisfied, or partially satisfied, in previous years was not material.

6. Operating Profit

	2020 £'000	2019 £'000	2018 £'000
Operating profit is stated after charging/(crediting):			
Depreciation of owned property, plant and equipment	4,795	3,969	3,266
Depreciation of assets held under finance leases	21	34	72
Depreciation of right-of-use assets	9,072	—	—
Impairment of non-current assets (tangibles and intangibles)	—	—	19
Amortisation of intangible assets	4,837	3,897	2,912
Net gain on disposal of property, plant and equipment	(11)	(23)	(5)
Net gain on disposal of right-of-use asset	(23)	—	—
Net gain on disposal of subsidiary	(2,215)	—	—
Gain on derecognition of right-of-use assets sub-leased	(472)	—	—
Research and development expenditure credit	(1,600)	(1,278)	(1,008)
Government grants	(670)	(819)	(1,633)
Share-based compensation	15,663	12,022	1,505
Discretionary EBT bonus	27,874	—	—
Expected credit loss allowance on trade receivables	3,169	8	437
Initial public offering expenses	—	1,055	4,537
Sarbanes-Oxley compliance readiness expenses	—	1,440	106
Secondary offering expenses	—	1,009	—
Operating lease costs:			
Land and buildings	1,053	9,941	8,444

Initial public offering expenses include professional fees incurred in the Group's initial public offering of the Company's ordinary shares. Sarbanes-Oxley compliance readiness expenses include professional fees incurred in the Group's compliance with Sarbanes Oxley Act of 2002. Secondary offering expenses include professional fees incurred in the Group's secondary public offering of the Company's ordinary shares.

Operating lease costs for the year ended 30 June 2020 include short-term lease rent (not in scope for IFRS 16), property taxes and other property related costs.

Disposal of Endava Technology SRL ("the Captive")

Pursuant to an agreement entered into with Worldpay in November 2016, Endava granted Worldpay an option to acquire a captive Romanian subsidiary that Endava created and staffed for Worldpay. On June 1, 2019, Endava entered into an agreement to sell the Captive to Worldpay and to terminate the option and transfer agreement. On August 31, 2019 the transaction was completed and the employees of the Captive became employees of Worldpay. Endava has agreed to provide Worldpay certain transition services under a Transition Services Agreement between Endava and Worldpay, which remains in place following the closing of the sale of the Captive. The aggregate selling price of the Captive was £3.6 million and the Group recognised a gain on disposal of subsidiary of £2.2 million.

Auditor's remuneration:

The Group recognised the following fees from its auditors in respect of the audit of the financial statements and for other services provided to the Group:

	2020 £'000	2019 £'000	2018 £'000
Audit of the financial statements	£ 840	£ 741	£ 437
Subsidiary local statutory audits	103	95	85
SOX attestation fees	832	—	—
Total audit fees	**1,775**	**836**	**522**
Initial public offering expenses	—	—	655
Secondary offering expenses	—	150	—
Other SEC filings review expenses	—	36	—
Total audit related fees	**—**	**186**	**655**
Total auditor's remuneration	**£ 1,775**	**£ 1,022**	**£ 1,177**

7. Particulars of Employees (including Directors)

	2020 No.	2019 No.	2018 No.
Average number of staff employed by the group during the year (including directors):			
Number of operational staff	5,633	4,902	3,957
Number of administrative staff	601	503	373
Number of management staff	8	7	7
Total	**6,242**	**5,412**	**4,337**

	2020 £'000	2019 £'000	2018 £'000
Aggregate payroll costs of the above were:			
Wages and salaries	£ 222,918	£ 163,399	£ 122,166
Social security and pension costs	16,288	13,767	15,336
Share-based compensation	15,663	12,022	1,505
Total	**£ 254,869**	**£ 189,188**	**£ 139,007**

8. Key Management Remuneration

The compensation of the members of our Board of Directors was:

	2020 £'000	2019 £'000	2018 £'000
Remuneration paid	£ 1,405	£ 1,281	£ 1,204
Company contribution to pension scheme	71	65	50
Share-based compensation	1,731	1,164	107
Total	**£ 3,207**	**£ 2,510**	**£ 1,361**
Emoluments of highest paid director:			
Remuneration paid	£ 694	£ 620	£ 589
Company contributions to pension scheme	53	47	34
Share-based compensation	970	501	25
Total	**£ 1,717**	**£ 1,168**	**£ 648**

There were 2 directors who were members of a pension scheme during the year (2019: 2; 2018: 2).

The highest paid director exercised 22,500 options during the year (2019: 654,195, 2018: nil) and was granted 55,788 options under a long-term incentive plan (2019: 90,000; 2018: nil).

9. Finance Expense

	2020 £'000	2019 £'000	2018 £'000
Interest charge on bank borrowings	£ 10	£ 90	£ 460
Running costs related to our revolving credit facility	809	248	101
Interest charge on leases	1,066	3	8
Foreign exchange loss	—	—	17
Other interest charge	6	4	3
Fair value movement of financial liabilities	49	5,954	229
Total	**£ 1,940**	**£ 6,299**	**£ 818**

10. Finance Income

	2020 £'000	2019 £'000	2018 £'000
Interest income on bank deposits	£ 497	£ 450	£ 26
Other interest income	58	36	9
Gain on derecognition of right-of-use assets sub-leased	472	—	—
Fair value movement of financial assets	30	—	—
Foreign exchange gain	2,052	2,943	—
Total	**£ 3,109**	**£ 3,429**	**£ 35**

11. Tax On Profit On Ordinary Activities

Analysis of charge / (credit) in the year

	2020 £'000	2019 £'000	2018 £'000
U.K. corporation tax based on the results for the year ended 30 June 2020 at 19% (2019 : 19%, 2018: 19%)	£ 123	£ 4,636	£ 1,977
Overseas tax	5,130	5,207	4,048
Current Tax	**5,253**	**9,843**	**6,025**
Deferred Tax	**(1,407)**	**(3,750)**	**(350)**
Total tax	**£ 3,846**	**£ 6,093**	**£ 5,675**

A U.K. Corporation rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%.

Reconciliation of the tax rate on group profits

	2020		2019		2018	
	£'000	%	£'000	%	£'000	%
Profit on ordinary activities before taxation	**£ 25,256**		**£ 30,100**		**£ 24,650**	
Profit on ordinary activities at U.K. statutory rate	4,799	19.0	5,719	19.0	4,684	19.0
Differences in overseas tax rates	(912)	(3.6)	(922)	(3.1)	(359)	(1.5)
Impact of share-based compensation	400	1.6	288	1.0	150	0.6
Utilisation of previously unrecognised tax losses	(97)	(0.4)	—	—	(2)	—
Non taxable gain on sale of subsidiary	(421)	(1.7)	—	—	—	—
Other permanent differences	63	0.2	632	2.1	1,030	4.2
Adjustments related to prior periods	(221)	(0.9)	164	0.5	(73)	(0.3)
Tax on unremitted earnings/withholding tax on dividends	399	1.6	212	0.7	185	0.8
Impact of rate change on deferred tax	(164)	(0.6)	—	—	60	0.2
Total	**£ 3,846**	**15.2 %**	**£ 6,093**	**20.2 %**	**£ 5,675**	**23.0 %**

The other permanent differences of £63,000 as of 30 June 2020 are mainly related to certain expenses that are not expected to be tax deductible in any jurisdiction net of tax credits.

The other permanent differences of £632,000 as of 30 June 2019 are mainly related to certain expenses of the initial public offering that are not expected to be tax deductible in any jurisdiction.

Tax on items charged to equity and statement of comprehensive income

	2020 £'000	2019 £'000	2018 £'000
Deferred tax - share-based compensation	£ (1,015)	£ (4,077)	£ (1,090)
Current tax - share-based compensation	(2,821)	(2,159)	—
Total credit to equity and statement of comprehensive income	**£ (3,836)**	**£ (6,236)**	**£ (1,090)**

Unremitted Earnings

The aggregate amount of unremitted profits at 30 June 2020 was approximately £27,500,000 (2019: £29,000,000). The movement during the year reflects profits made in various territories outside of the United Kingdom and repatriation of such profits through various dividend payments to Endava plc. U.K. legislation relating to company distributions provides for exemption from tax for most repatriated profits. Deferred taxation of £886,000 has been provided on these profits as of 30 June 2020 (2019: £609,000).

12. Deferred Tax Assets and Liabilities

Deferred taxes arising from temporary differences and unused tax losses are summarised as follows:

Deferred tax 2020	At 1 July 2019 £'000	Exchange Adjustments £'000	Credit / (Charge) to Profit and Loss £'000	Credit to Equity £'000	Acquisition £'000	At 30 June 2020 £'000
Accelerated capital allowances	£ (130)	£ —	£ 85	£ —	£ —	£ (45)
Tax losses	867	—	32	—	—	899
Share-based compensation	6,854	—	1,016	1,015	—	8,885
Intangible assets	(440)	(167)	344	—	(2,657)	(2,920)
Other temporary differences	366	(24)	(70)	—	388	660
Total	**£ 7,517**	**£ (191)**	**£ 1,407**	**£ 1,015**	**£ (2,269)**	**£ 7,479**

Deferred tax 2019	At 1 July 2018 £'000	Exchange Adjustments £'000	Credit / (Charge) to Profit and Loss £'000	Credit to Equity £'000	At 30 June 2019 £'000
Accelerated capital allowances	£ (87)	£ —	£ (43)	£ —	£ (130)
Tax losses	62	—	805	—	867
Share-based compensation	1,670	—	1,107	4,077	6,854
Intangible assets	(2,089)	39	1,610	—	(440)
Other temporary differences	100	(5)	271	—	366
Total	**£ (344)**	**£ 34**	**£ 3,750**	**£ 4,077**	**£ 7,517**

All deferred tax movements arise from the origination and reversal of temporary differences. Deferred tax assets are recognised to the extent it is probable that taxable profits will be generated against which those assets can be utilised.

After offsetting deferred tax assets and liabilities where appropriate within territories, the net deferred tax comprises:

	2020 £'000	2019 £'000
Deferred tax assets	13,340	9,550
Deferred tax liabilities	(5,861)	(2,033)
Net deferred tax	**7,479**	**7,517**

13. Earnings Per Share

Basic earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

	2020 £'000	2019 £'000	2018 £'000
Profit for the year attributable to equity holders of the Company	21,410	24,007	18,975

	2020	2019	2018
Weighted average number of shares outstanding	53,423,575	50,116,979	45,100,165

	2020	2019	2018
Earnings per share - basic (£)	0.40	0.48	0.42

Diluted earnings per share

Diluted EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of shares that would be issued if all dilutive potential ordinary shares were converted into ordinary shares. In accordance with IAS 33, the dilutive earnings per share are without reference to adjustments in respect of outstanding shares when the impact would be anti-dilutive.

	2020 £'000	2019 £'000	2018 £'000
Profit for the year attributable to equity holders of the Company	21,410	24,007	18,975
Fair value movement of financial liabilities	—	—	126
Profit for the year attributable to equity holders of the Company including impact of fair value adjustment of contingent consideration	**21,410**	**24,007**	**19,101**

	2020	2019	2018
Weighted average number of shares outstanding	53,423,575	50,116,979	45,100,165
Diluted by: options in issue and contingent shares	2,641,505	4,909,244	5,326,051
Weighted average number of shares outstanding (diluted)	**56,065,080**	**55,026,223**	**50,426,216**

	2020	2019	2018
Earnings per share - diluted (£)	0.38	0.44	0.38

14. Goodwill

2020	**£'000**
Cost	
At 1 July 2019	**36,760**
Acquired through business combinations	20,463
Effect of foreign exchange translations	(338)
At 30 June 2020	**56,885**

2019	
Cost	
At 1 July 2018	**41,062**
Acquired through business combinations	—
Effect of foreign exchange translations	(4,302)
At 30 June 2019	**36,760**
Net book value	
At 30 June 2020	**56,885**
At 30 June 2019	**36,760**

The Group has one Cash Generating Unit ("CGU") and accordingly goodwill is reported under one CGU. Goodwill acquired in a business combination is allocated, from the acquisition date, to the CGU that is expected to benefit from synergies of the combination and represents the lowest level within the entity at which the goodwill is monitored for internal reporting purposes.

During fiscal 2020, the Group acquired 100% of Intuitus Limited's ("Intuitus") voting rights and obtained control of Intuitus, which resulted in an increase in goodwill of £8,569,000. All goodwill is recorded in local currency of the acquired company, which is Sterling and has been allocated to the Group CGU. The Group also completed the acquisition of Exozet GmbH ("Exozet"), acquiring 100% of the voting rights and obtaining control. This resulted in an increase in goodwill of £11,893,000. All goodwill is recorded in the local currency of the acquired company, which is the Euro and has been allocated to the Group CGU.

During fiscal 2018, the Group acquired 100% of Velocity Partners, LLC ("Velocity Partners") voting rights and obtained control of Velocity Partners, which resulted in an increase in goodwill of £24,212,000. All goodwill is recorded in local currency. Additions are converted at the exchange rate on the date of the transaction and the goodwill at the end of the year is stated at closing exchange rates. The Goodwill has been allocated to the Group CGU.

During 2019 fiscal year, following a review of the allocation of goodwill to foreign operations, the Directors have determined that goodwill of £24,212,000 which arose on the acquisition of Velocity Partners on 29 December 2017 should have been allocated differently. This element of goodwill was previously denominated in US Dollars and has now been allocated into functional currencies of the underlying foreign operations.

The re-denomination has given rise to a total reduction in the carrying value of Goodwill of £4,649,000 that has been recognised in the year-ended 30 June 2019. Had this allocation taken place at acquisition, a £3,155,000 decrease in the carrying value would have been recognised in the year-ended 30 June 2018. As this change has no impact on either the profit for the year or the statement of cash flows and as the net prior-period impact of £3,155,000 is not material in the context of the overall value of goodwill or net assets, it is, in the judgement of the Directors, appropriate to affect the change in allocation in 2019 fiscal year.

This change in the carrying value of £4,649,000 is a part of the £4,302,000 reflected in the line "effect of foreign exchange translations" in the table above. An equal and opposite entry is a part of the £5,987,000 recognised as "exchange

differences on translating foreign operations" in other comprehensive income, and subsequently the foreign exchange translation reserve in equity.

This adjustment has had no impact on the conclusion of the Group's annual impairment review.

Goodwill Impairment Testing

Goodwill is not amortised and is tested for impairment at least annually or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Events or changes in circumstances that could trigger an impairment review include a significant adverse change in business climate, an adverse action or assessment by a regulator, unanticipated competition, a loss of key personnel, significant changes in the manner of our use of the acquired assets or the strategy for our overall business, significant negative industry or economic trends, or significant underperformance relative to expected historical or projected future results of operations.

For the year ended 30 June 2020, the Board reviewed the value of goodwill based on internal value in use calculations. The key assumptions for these calculations are discount rates, growth rates and expected changes to gross margins during the period. The growth rates for the analysed period are based on management's expectations of the medium-term performance of the acquired businesses, planned growth market shares, industry forecasts and growth in the market. These calculations used five-year cash flow projections based on financial budgets approved by management and assumed a 1.5% terminal growth rate thereafter.

The key assumptions used in the assessments for the years ended 30 June 2020, 2019 and 2018 are as follows:

	2020	2019	2018
Growth rate	20%	20%	20%
Discount rate	11.4%	14.5%	15.7%
Terminal growth rate	1.5%	1.5%	1.5%

Management's impairment assessment for 2020, 2019 and 2018 indicates value in use substantially in excess of the carrying value of goodwill. Management therefore believes that no reasonably possible change in any of the above key assumptions would cause the carrying value of the unit to materially exceed its recoverable amount.

As at 30 June 2020, 2019 and 2018, there were no indicators of impairment that suggested that the carrying amount of the Group's goodwill is not recoverable.

15. Business combinations

Acquisition of Exozet GmbH

On 17 December 2019 (the " Exozet Acquisition Date"), the Group entered into a Share Purchase Agreement ("the Exozet Purchase Agreement") pursuant to which the Group acquired all of the issued and outstanding equity of Exozet GmbH ("Exozet"). Exozet has a team of 156 employees based in Germany and Austria with end-to-end expertise from consulting to design, implementation and technical innovation.

The acquisition accounting of Exozet GmbH acquisition was considered provisional as at 30 June 2020, pending final conclusion on the opening working capital adjustment.

The consideration includes elements of cash, contingent and deferred compensation and equity consideration. The following table summarises the acquisition date fair values of each major class of consideration transferred:

	£'000
Initial cash consideration	15,976
Fair value of deferred consideration	1,677
Fair value of equity consideration	847
Fair value of credit loss utilisation refund consideration	215
Total consideration transferred	**18,715**

Under the Exozet Purchase Agreement, the Group paid the former equity holders of Exozet a cash purchase price of £16.0 million. In addition, the Group recognised a fair value of £1.7 million of deferred consideration attributed to a holdback amount, payable within 12 months of the acquisition date. The Company issued 24,392 Class A ordinary shares in the form of ADSs to the sellers as part of the purchase price, with a fair value of £0.8 million. The credit loss refund consideration of £0.2 million represents amounts due to the former equity holders of Exozet if brought forward tax losses are successfully utilised.

Under the Purchase Agreement, there are other amounts that are payable in future periods based on the continued service of certain employees of Exozet. £2.9 million worth of share units under the 2018 Equity Incentive Plan were granted to the Sellers on completion of the acquisition, which vest over a 4-year period and are all subject to continued employment. A portion of the overall share units is also subject to achievement of specific revenue and EBITDA goals over the earn-out period. As all share units are based on continued service provided to the post-combination entity, they have been excluded from consideration and will instead be accounted for as ongoing remuneration under IFRS 2.

The Company's allocation of the total purchase consideration amongst the net assets acquired is as follows:

	Fair Value £'000
Intangible asset - Client relationships	6,955
Other intangible assets	1,030
Property, plant and equipment	128
Right-of-use asset	1,136
Deferred tax asset	604
Trade and other receivables	2,611
Cash and cash equivalents	801
Borrowings	(956)
Trade and other payables	(1,501)
Corporation tax payable	(310)
Lease liability	(1,136)
Deferred tax liability	(2,540)
Fair value of identifiable net assets	**6,822**

Other than intangible assets, the fair value approximates the carrying value of the net assets acquired.

Intangible assets subject to valuation include client relationships. Other intangible assets that exist include technology related intangibles (own work capitalised).

The multi period excess earnings method ("MEEM") was applied to determine the fair value of the client relationship intangible asset. The fair value determined under this approach is a function of the following: (1) future revenues expected to be generated by these assets and the profitability of these assets; (2) identification of the contribution of other tangible and intangible assets to the cash flows of these assets to apply an appropriate capital charge against the cash flows; and (3) determination of the appropriate risk-adjusted discount rate to calculate the present value of the stream of anticipated cash flows. An estimate was made by the Group regarding the amount of future revenues that could be attributed to Exozet's clients that existed as of the acquisition date. This revenue projection was based on recurring revenue from existing customers prior to any customer attrition. As the estimate of fair value for the customer related asset is based on MEEM, consideration was given to contributions to earnings from "contributory assets" other than customer relationships, in order to isolate the cash flows attributable to the customer related asset inclusive of other assets. The after-tax residual cash flows attributable to existing customers were adjusted for attrition and discounted to a present value.

The technology related asset relates to internal hours for development of specific intellectual property. Such internal projects are approved by Management only if future benefits are specified and likely. Management concluded that the net book value at acquisition date represents a reasonable estimate of its fair value.The fair value of the assembled workforce acquired is included in the amount initially recorded as goodwill.

Deferred tax

The deferred tax liability at acquisition on the client relationship was £2.0 million based on a book base of £7.0 million and a tax base of £nil at the date of acquisition.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	£'000
Consideration transferred	18,715
Fair value of identifiable net assets	(6,822)
Goodwill	**11,893**

The goodwill arising from the acquisition represents the knowledge and experience of the workforce, who are instrumental to securing future revenue growth and in the development of new IP and know-how, the revenue and cost synergies that are achievable and the growth opportunities that are available within the broader digital agency market. There is no goodwill amount that is expected to be deductible for tax purposes.

Revenue and Loss of Exozet from the Exozet Acquisition Date to 30 June 2020

	£'000
Revenue	8,054
Loss	100

Management's estimate of Revenue and Profit of Exozet for the reporting period ended 30 June 2020 (had the acquisition occurred at the beginning of the reporting period)

	£'000
Revenue	15,623
Profit	501

Acquisition Related Costs

	£'000
Legal and professional fees	620

The acquisition related costs are expensed as incurred.

Acquisition of Intuitus Limited

On 1 November 2019 (the "Intuitus Acquisition Date"), the Group entered into a Share Purchase Agreement ("the Intuitus Purchase Agreement") pursuant to which the Group acquired all of the issued and outstanding equity of Intuitus Limited ("Intuitus"), obtaining control. Intuitus is a leading independent provider of technology and digital due diligence, and other technology advisory services to Private Equity clients. In connection with its acquisition of Intuitus, the Group acquired over 100 active clients, most of which are Private Equity firms based in the United Kingdom and Continental Europe, as well as in the United States and Middle East.

The acquisition accounting of the Intuitus acquisition was considered final as at 30 June 2020.

The consideration includes elements of cash, deferred compensation and equity consideration. The following table summarises the acquisition date fair values of each major class of consideration transferred:

	£'000
Initial cash consideration	9,024
Fair value of deferred consideration	1,889
Fair value of equity consideration	3,110
Total consideration transferred	**14,023**

Under the Intuitus Purchase Agreement, the Group paid the former equity holders of Intuitus a cash purchase price of £9.0 million. In addition, the Group recognised a fair value of £1.9 million of deferred consideration attributed to a holdback amount, payable within 18 months of the acquisition date. The Company also issued 98,147 Class A ordinary shares in the form of ADSs to the sellers as part of the purchase price, with a fair value of £3.1 million.

Under the Purchase Agreement, there are other amounts that are payable in future periods based on the continued service of certain employees of Intuitus £2.5 million worth of share units under the 2018 Equity Incentive Plan were granted to the Sellers on completion of the acquisition, which vest over a 4-year period and are all subject to continued employment. A portion of the overall share units is also subject to achievement of specific revenue and profit margin goals over the earn-out period. As all share units are based on continued service provided to the post-combination entity, they have been excluded from consideration and will instead be accounted for as ongoing remuneration under IFRS 2.

The Company's allocation of the total purchase consideration amongst the net assets acquired is as follows:

	Fair Value £'000
Intangible asset - Client relationships	2,547
Intangible asset - Trade name	272
Intangible asset - Supplier relationships	120
Other intangible assets	9
Property, plant and equipment	82
Right-of-use asset	548
Deferred tax asset	225
Trade and other receivables	2,054
Cash and cash equivalents	2,488
Corporation tax receivable	247
Trade and other payables	(2,041)
Lease liability	(539)
Deferred tax liability	(558)
Fair value of identifiable net assets	**5,454**

Other than intangible assets, the fair value approximates the carrying value of the net assets acquired.

Intangible assets subject to valuation include: Intuitus trade name, network of contractors (supplier relationship), client relationships and workforce. Other intangibles considered but not valued included: software, favourable and unfavourable agreements and non-compete agreements. The income approach (relief from royalty) was used to value Intuitus trade name, the income approach (excess earnings) for client relationships and the cost approach for network of contractors and workforce.

The relief from royalty method assumes that the value of an intangible asset is equal to the present value of the amount the business would be prepared to pay to lease or rent that asset under a contract if it did not own the asset. The value of an intangible asset under this method is calculated as the difference between the business value estimated under two sets of cash flow projections: a) the value of the business with all assets in place at the valuation date, and b) the value of the business with all assets in place but the subject asset at the valuation date.

The multi period excess earnings method ("MEEM") was applied to determine the fair value of the client relationship intangible asset. The fair value determined under this approach is a function of the following: (1) future revenues expected to be generated by these assets and the profitability of these assets; (2) identification of the contribution of other tangible and intangible assets to the cash flows of these assets to apply an appropriate capital charge against the cash flows; and (3) determination of the appropriate risk-adjusted discount rate to calculate the present value of the stream of anticipated cash flows. An estimate was made by the Group regarding the amount of future revenues that could be attributed to Intuitus's clients that existed as of the acquisition date. This revenue projection was based on recurring revenue from existing customers prior to any customer attrition. As the estimate of fair value for the customer related asset is based on MEEM, consideration was given to contributions to earnings from "contributory assets" other than customer relationships, in order to isolate the cash flows attributable to the customer related asset inclusive of other assets. The after-tax residual cash flows attributable to existing customers were adjusted for attrition and discounted to a present value.

The cost approach is based on the current cost to recreate or duplicate the asset less an appropriate allowance for a decrease in value due to the passage of time or obsolescence. Incorporated in the cost approach is the economic principle of substitution, which states that an informed purchaser would pay no more for an asset than the cost of purchasing or producing a substitute asset with the same utility as the appraised asset.

The fair value of the assembled workforce acquired is included in the amount initially recorded as goodwill.

Deferred tax

The deferred tax liability at acquisition on the client relationship and other intangibles (trade name and supplier relationship) was £0.6 million based on a book base of £2.9 million and a tax base of £0 at the date of acquisition.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	£'000
Consideration transferred	14,023
Fair value of identifiable net assets	(5,454)
Goodwill	**8,569**

The goodwill arising from the acquisition represents the assembled workforce and expected synergies from combining Intuitus operations into the Group's existing operations. The acquisition will enhance the Company's capability and accelerates its market penetration within the private equity sector. There is no goodwill amount that is expected to be deductible for tax purposes.

Revenue and Loss of Intuitus from Intuitus Acquisition Date to 30 June 2020

	£'000
Revenue	3,368
Loss	267

Management's estimate of Revenue and Loss of Intuitus for the reporting period ended 30 June 2020 (had the acquisition occurred at the beginning of the reporting period)

	£'000
Revenue	5,222
Loss	465

Acquisition Related Costs

	£'000
Legal and professional fees	208
Stamp duty	70
Total	**278**

The acquisition related costs are expensed as incurred.

Acquisition of Velocity Partners

On 29 December 2017 (the "Acquisition Date"), the Group entered into an Equity Purchase Agreement ("the Purchase Agreement") pursuant to which the Group acquired all of the issued and outstanding equity of Velocity Partners, LLC ("Velocity Partners"). Velocity Partners is based in Seattle, Washington and provides software development services to clients based in North America. Following the acquisition, 527 employees of Velocity Partners became part of the Group.

The acquisition accounting for the Velocity Partners acquisition was considered final as at 30 June 2018.

Total consideration includes elements of cash, contingent consideration and deferred compensation. Under the Purchase Agreement, there are other amounts that are payable in future periods based on the continued service of certain employees of Velocity Partners. Any amounts based on continued service provided to the post-combination entity have been excluded from consideration and will instead be accounted for as ongoing remuneration. The following table summarises the acquisition date fair values of each major class of consideration transferred:

	£'000
Initial cash consideration	28,586
Fair value of deferred consideration	4,198
Fair value of contingent consideration	10,933
Fair value of tax refund consideration	1,170
Total consideration transferred	**44,887**

Under the Purchase Agreement, the Group paid to the former equity holders of Velocity Partners a cash purchase price of £28.6 million. In addition, the Group recognised a fair value of £4.2 million of deferred consideration attributed to a holdback amount, of which £3.0 million was paid during 2019 and £1.5 million was paid during 2020.

The contingent consideration was settled with equity during 2019. The Group measured its contingent consideration liability at fair value (the "contingent equity consideration"). Since the IPO happened on 27 July 2018, the fair value of the contingent consideration increased because the closing price achieved on IPO was higher than the price valuation used at 30 June 2018. This was recognised in the statement of comprehensive income as a fair value adjustment.

The tax refund consideration of £1.2 million represents the amounts due to the former equity holders of Velocity Partners if the Group receives certain future tax refunds. As part of Velocity Partner's closing balance sheet as of the acquisition date, Velocity Partners has recorded a $0.5 million tax receivable for a Washington State tax refund for the periods from 2010-2013 and $1.1 million value-added tax receivable in Argentina, recorded in other receivables. In the instance Velocity Partners receives proceeds under either of these tax refunds, they are owed to the seller as part of the terms of the Equity Purchase Agreement.

The Company's allocation of the total purchase consideration amongst the net assets acquired is as follows:

	Fair Value £'000
Intangible asset - Client relationships	15,214
Property, plant and equipment	932
Trade and other receivables	6,045
Cash and cash equivalents	2,341
Trade and other payables	(3,791)
Corporation tax payable	(39)
Deferred tax liability	(27)
Fair value of identifiable net assets	**20,675**

Other than intangible assets, the fair value approximates the carrying value of the net assets acquired.

Intangible assets subject to valuation include client relationships. Other immaterial intangibles assets that exist include the Velocity Partners trade name and a non-compete agreement.

The multi period excess earnings method ("MEEM") was applied to determine the fair value of the client relationship intangible asset. The fair value determined under this approach is a function of the following: (1) future revenues expected to be generated by these assets and the profitability of these assets; (2) identification of the contribution of other tangible and intangible assets to the cash flows of these assets to apply an appropriate capital charge against the cash flows; and (3) determination of the appropriate risk-adjusted discount rate to calculate the present value of the stream of anticipated cash flows.

An estimate was made by the Group regarding the amount of future revenues that could be attributed to Velocity Partners' clients that existed as of the acquisition date. This revenue projection was based on recurring revenue from existing customers prior to any customer attrition. As the estimate of fair value for the customer related asset is based on MEEM, consideration was given to contributions to earnings from "contributory assets" other than customer relationships, in order to isolate the cash flows attributable to the customer related asset inclusive of other assets. The after-tax residual cash flows attributable to existing customers were adjusted for attrition and discounted to a present value. The fair value of the assembled workforce acquired is included in the amount initially recorded as goodwill.

Deferred Tax

The deferred tax liability at acquisition on the client relationship was zero as the tax base at the date of acquisition was equal to the carrying value. Over time, a temporary difference will arise and applicable U.S. tax rates will be applied to arrive at the deferred tax balance.

Goodwill

Goodwill arising from the acquisition has been recognised as follows:

	£'000
Consideration transferred	44,887
Fair value of identifiable net assets	(20,675)
Goodwill	**24,212**

Goodwill relates to the benefit of expected synergies, future market development (including future growth potential from new clients) and the possibility of innovation and expansion by utilising a larger workforce. These benefits are not recognised separately from goodwill as they do not meet the recognition criteria for identifiable intangible assets.

Revenue and Profit of Velocity Partners from Acquisition Date to 30 June 2018

	£'000
Revenue	15,281
Profit	2,635

Management's estimate of Revenue and Profit of Velocity Partners for the reporting period ended 30 June 2018 (had the acquisition occurred at the beginning of the reporting period)

	£'000
Revenue	30,383
Profit	4,327

Acquisition Related Costs

	£'000
Legal and professional fees	1,233

Acquisition related costs are expensed as incurred.

16. Intangible Assets

2020	Client relationship £'000	Software and licences £'000	Non-Compete Agreement £'000	Trade name £'000	Supplier relationships £'000	Software own work-concluded projects £'000	Software own work-projects in progress £'000	Total £'000
Cost								
At 1 July 2019	**£ 34,440**	**£ 4,885**	**£ 139**	**£ —**	**£ —**	**£ —**	**£ —**	**£ 39,464**
Additions	—	2,427	—	—	—	—	88	2,515
On acquisition of subsidiary / business	9,502	9	—	272	120	818	212	10,933
Reclassification	—	—	—	—	—	187	(187)	—
Disposals	—	(37)	—	—	—	—	—	(37)
Effect of foreign exchange translations	1,547	4	5	—	—	84	9	1,649
At 30 June 2020	**£ 45,489**	**£ 7,288**	**£ 144**	**£ 272**	**£ 120**	**£ 1,089**	**£ 122**	**£ 54,524**
Amortisation								
At 1 July 2019	**£ 9,414**	**£ 1,001**	**£ 139**	**£ —**	**£ —**	**£ —**	**£ —**	**£ 10,554**
Charge for the year	4,019	572	—	36	16	194	—	4,837
Disposals	—	(23)	—	—	—	—	—	(23)
Effect of foreign exchange translations	367	6	5	—	—	27	—	405
At 30 June 2020	**£ 13,800**	**£ 1,556**	**£ 144**	**£ 36**	**£ 16**	**£ 221**	**£ —**	**£ 15,773**
Net book value								
At 30 June 2020	**£ 31,689**	**£ 5,732**	**£ —**	**£ 236**	**£ 104**	**£ 868**	**£ 122**	**£ 38,751**

2019	Client relationship £'000	Software and licences £'000	Non-Compete Agreement £'000	Total £'000
Cost				
At 1 July 2018	**£ 33,562**	**£ 3,658**	**£ 134**	**£ 37,354**
Additions	—	1,315	—	1,315
Disposals	—	(86)	—	(86)
Effect of foreign exchange translations	878	(2)	5	881
At 30 June 2019	**£ 34,440**	**£ 4,885**	**£ 139**	**£ 39,464**
Amortisation				
At 1 July 2018	**£ 5,786**	**£ 662**	**£ 119**	**£ 6,567**
Charge for the year	3,455	427	15	3,897
Disposals	—	(86)	—	(86)
Effect of foreign exchange translations	173	(2)	5	176
At 30 June 2019	**£ 9,414**	**£ 1,001**	**£ 139**	**£ 10,554**
Net book value				
At 30 June 2019	**£ 25,026**	**£ 3,884**	**£ —**	**£ 28,910**

17. Property, Plant and Equipment

2020	Computers & Equipment £'000	Fixtures & Fittings £'000	Motor Vehicles £'000	Fixed Assets in Progress £'000	Total £'000
Cost					
At 1 July 2019	**£ 14,679**	**£ 10,158**	**£ 9**	**£ 1,157**	**£ 26,003**
Additions	4,203	2,803	—	359	7,365
On acquisition of subsidiary / business	143	67	—	—	210
Inflation adjustment	16	—	—	—	16
Disposals	(1,230)	(709)	—	—	(1,939)
Disposals costs from subsidiary disposal	(74)	(269)	—	—	(343)
Transfers	—	1,193	—	(1,193)	—
Effect of foreign exchange translations	(239)	(61)	—	—	(300)
At 30 June 2020	**£ 17,498**	**£ 13,182**	**£ 9**	**£ 323**	**£ 31,012**
Depreciation					
At 1 July 2019	**£ 10,387**	**£ 5,028**	**£ 9**	**£ —**	**£ 15,424**
Charge for the year	2,800	2,016	—	—	4,816
Disposals	(1,174)	(614)	—	—	(1,788)
Disposals depreciation from subsidiary disposal	(15)	(15)	—	—	(30)
Effect of foreign exchange translations	(97)	(60)	—	—	(157)
At 30 June 2020	**£ 11,901**	**£ 6,355**	**£ 9**	**£ —**	**£ 18,265**
Net book value					
At 30 June 2020	**£ 5,597**	**£ 6,827**	**£ —**	**£ 323**	**£ 12,747**

2019	Computers & Equipment £'000	Fixtures & Fittings £'000	Vehicles £'000	Fixed Assets in Progress £'000	Total £'000
Cost					
At 1 July 2018	**£ 12,355**	**£ 8,171**	**£ 20**	**£ 164**	**£ 20,710**
Additions	2,856	2,055	—	1,157	6,068
Inflation adjustment	145	—	—	—	145
Disposals	(494)	(106)	(11)	—	(611)
Transfers	—	164	—	(164)	—
Effect of foreign exchange translations	(183)	(126)	—	—	(309)
At 30 June 2019	**£ 14,679**	**£ 10,158**	**£ 9**	**£ 1,157**	**£ 26,003**
Depreciation					
At 1 July 2018	**£ 8,477**	**£ 3,629**	**£ 20**	**£ —**	**£ 12,126**
Charge for the year	2,460	1,543	—	—	4,003
Disposals	(477)	(89)	(11)	—	(577)
Effect of foreign exchange translations	(73)	(55)	—	—	(128)
At 30 June 2019	**£ 10,387**	**£ 5,028**	**£ 9**	**£ —**	**£ 15,424**
Net book value					
At 30 June 2019	**£ 4,292**	**£ 5,130**	**£ —**	**£ 1,157**	**£ 10,579**

18. Significant Shareholdings and Related Party Transactions

Significant shareholdings

At 30 June 2020, the Group held 100% of the share capital of the following entities:

Subsidiary	Country of Incorporation	Class of Shares Held	Percentage of Shares Held	Principal Activity
Endava (UK) Limited	United Kingdom	Ordinary	100%	Provision of IT services
Endava (Managed Services) Limited	United Kingdom	Ordinary	100%	Provision of IT services
ICS Endava SRL	Moldova	Ordinary	100%	Provision of IT services
Endava Romania SRL	Romania	Ordinary	100%	Provision of IT services
Endava (Ireland) Limited	Ireland	Ordinary	100%	Provision of IT services
Endava GmbH	Germany	Ordinary	100%	Provision of IT services
Endava DOOEL Skopje	North Macedonia	Ordinary	100%	Provision of IT services
Endava Inc.	United States	Ordinary	100%	Provision of IT services
Endava d.o.o. Beograd	Serbia	Ordinary	100%	Provision of IT Services
Endava Holding B.V.	The Netherlands	Ordinary	100%	Holding Company
Endava B.V.	The Netherlands	Ordinary	100%	Provision of IT services
Endava EOOD	Bulgaria	Ordinary	100%	Provision of IT services
Endava S.A.S.	Colombia	Ordinary	100%	Provision of IT Services
Endava ApS	Denmark	Ordinary	100%	Provision of IT Services
Endava LLC	United States	Ordinary	100%	Provision of IT Services
Endava Holdings Inc	United States	Ordinary	100%	Holding Company
Endava Nearshore Ventures LLC	United States	Ordinary	100%	Provision of IT Services
Endava Vnz S.C.A.	Venezuela	Ordinary	100%	Provision of IT Services
Endava Argentina SRL	Argentina	Ordinary	100%	Provision of IT Services
Endava Colombia S.A.S.	Colombia	Ordinary	100%	Provision of IT Services
Endava Uruguay SRL	Uruguay	Ordinary	100%	Provision of IT Services
Intuitus Limited	United Kingdom	Ordinary	100%	Provision of IT services
Endava Singapore Pte. Ltd	Singapore	Ordinary	100%	Provision of IT Services
Endava Australia Pty Ltd	Australia	Ordinary	100%	Provision of IT Services
Endava Berlin GmbH	Germany	Ordinary	100%	Provision of IT Services
Exozet Neue Medienproduktion Wien GmbH	Austria	Ordinary	100%	Provision of IT Services
Endava Limited Guernsey Employee Benefit Trust	United Kingdom	Ordinary	100%	Employee Benefit Trust

Dormant Entities

Endava (Romania) Limited	UK	Ordinary	100%
Green Mango Software Services Ltd	UK	Ordinary	100%
Testing4Finance Ltd	UK	Ordinary	100%
Alpheus Limited	UK	Ordinary	100%

Related Party Transactions

At 30 June 2020, the executive officers and directors owned 13,168,074 ordinary shares, nominal value £0.02 per share (2019: 13,452,077 ordinary shares, nominal value £0.02 per share) and held awards over a further 403,114 ordinary shares, nominal value £0.02 per share (2019: 389,607 ordinary shares, nominal value £0.02 per share).

Since April 2020, one of our directors, Sulina Connal, is employed by Google as Director of Product Partnerships for News, Web and Publishing for EMEA. In the ordinary course of its business, from time to time Endava enters into agreements for cloud service or other solutions provided by Google in connection with services provided by Endava to its clients. All transactions with Google were entered into on an arms-length basis. For the year ended June 30, 2020, the aggregate cost incurred by Endava to Google for such services was £0.2 million.

We have entered into a customer relationship with PaperRound HND Service Ltd., a company in which Mike Kinton, a member of our board of directors, holds a controlling interest and serves as a director. All transactions with PaperRound were entered into on an arms-length basis and in the ordinary course of business. We did not generate revenue from PaperRound in the fiscal year ended June 30, 2020.

Other than the transactions with executive officers and directors disclosed above, no other related party transactions have been identified.

Ultimate Parent

Endava plc is the ultimate parent entity of the Group and it is considered that there is no ultimate controlling party.

19. Trade and Other Receivables

	2020 £'000	2019 £'000
Trade receivables	£ 60,474	£ 47,928
Prepayments	6,779	5,734
Accrued income	8,694	7,019
Research and development tax credit	3,688	2,088
Other receivables	2,979	3,148
Total trade and other receivables	**£ 82,614**	**£ 65,917**

Trade receivables are non-interest-bearing and are generally on 30 to 90 day terms depending on the geographical territory in which sales are generated. The carrying value of trade and other receivables also represents their fair value.

Trade receivables are disclosed net of expected credit loss allowance for doubtful debts, as shown below. Due to the global financial uncertainty arising from the COVID-19 pandemic, management has considered the elevated credit risk on trade receivables. In addition, certain balances (where there was an objective evidence of credit impairment) have been provided for on an individual basis. This has resulted in a charge of £3.2 million for expected credit loss provisions on trade receivables recognised in the Consolidated statement of comprehensive income. The majority of the overall allowance recognised as at 30 June 2020 relates to customer-specific provisions, provided for on an individual basis as explained above.

Trade receivables and accrued income represent client contract assets. Other than the expected credit loss allowance discussed above, and business-as-usual movements there were no significant changes in contract assets during the year.

	2020 £'000	2019 £'000
Trade receivables - gross	£ 64,058	£ 48,365
Expected credit loss allowance	(3,584)	(437)
Trade receivables - net	**£ 60,474**	**£ 47,928**

20. Trade and Other Payables

	2020 £'000	2019 £'000
Trade payables	£ 2,159	£ 4,220
Other taxation and social security	8,293	5,634
Other liabilities	2,810	2,985
Accruals	42,134	33,326
Deferred income	3,203	2,337
Total trade and other payables	**£ 58,599**	**£ 48,502**

Deferred income represents client contract liabilities at year end where cash was received from clients but Endava is yet to perform the work. £2.1 million of the deferred income recognised at 1 July 2019 was recognised as revenue during the year (2019: £2.4 million). Other than business-as-usual movements there were no significant changes in deferred income balance during the year.

21. Financial Assets and Liabilities

Categories of financial assets and financial liabilities

Financial assets

The Group has the following financial assets, all of which are classified and measured at amortised cost:

	2020 £'000	2019 £'000
Financial assets at amortised cost		
Trade and other receivables (note 19)	£ 82,614	£ 65,917
Finance lease receivable (note 23)	1,223	—
Total financial assets*	**£ 83,837**	**£ 65,917**

*Financial assets, other than cash and cash equivalents

The accounting policies provide a description of the initial recognition and measurement, and also the subsequent measurement of financial assets.

Financial liabilities

The Group has the following financial liabilities:

	2020 £'000	2019 £'000
Lease liabilities		
Current lease liabilities (note 23)	11,132	21
Non-current lease liabilities (note 23)	42,233	—
	53,365	**21**
Other financial liabilities at amortised cost		
Trade and other payables (note 20)	58,599	48,502
Other liabilities	136	113
	58,735	**48,615**
Financial liabilities at fair value through profit or loss		
Contingent consideration (note 15)	1,442	1,244
Deferred consideration (note 15)	3,764	1,516
	5,206	**2,760**
Total financial liabilities	**£ 117,306**	**£ 51,396**

The accounting policies provide a description of the initial recognition and measurement, and also the subsequent measurement of financial liabilities.

Where financial assets and financial liabilities are measured at fair value, their measurement should be classified into the following hierarchy:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Contingent consideration and deferred consideration have been classified within level 3.

Fair Value Movement of Contingent Equity Consideration

	2019 £'000
Fair value at 1 July 2018	**£ 11,314**
Movement in fair value recognised in finance cost	5,805
Settlement through issuance of shares	(17,166)
Foreign exchange recognised in other comprehensive income	47
Fair value at 30 June 2019	**£ —**

The valuation technique used, significant unobservable inputs and inter-relationship between significant unobservable inputs are shown below:

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Scenario based discounted cash flow: the valuation model considers the present value of the expected future payments in several probability weighted scenarios, discounted at risk adjusted discount rate.	Expected future cash flows (30 June 2018 - total maximum of £12.1million, minimum of £nil over 3 years) Fair value of ordinary shares (30 June 2018 - $12.79) Discount rate (30 June 2018 - 3%)	The estimated fair value would increase (decrease) if: the expected cash flows were higher (lower); or the fair value of ordinary shares was higher (lower); or the risk-adjusted discount rate were lower (higher)

22. Borrowings

Terms and conditions of outstanding borrowings as of 30 June 2020 and 2019 are as follows:

Type	Nominal Interest p.a.	Year of Maturity	2020 £'000	2019 £'000
Revolving credit facility	LIBOR/ EURIBOR + variable margin (0.80% - 1.50%)	2020	£ —	£ —

The multicurrency revolving credit facility is unsecured.

The Group has an unsecured bank revolving credit facility with a carrying amount of £nil at 30 June 2020 (2019: £nil). Commitment fees are charged on the undrawn balance of the facility. The available Revolving credit facility is £200 million.

The facility contains interest cover and net leverage financial covenants. The covenants are tested on a bi-annual basis based on trailing twelve months results. At 30 June 2020 and 30 June 2019, the Group complied with these financial covenants.

Guarantees

The Group has provided the following guarantees at 30 June 2020:

Parent Company Guarantees

A parent company guarantee was provided as part of the acquisition of Exozet Berlin GmbH which guarantees Endava GmbH's obligations and liabilities under the share purchase agreement.

The parent company provided guarantees relating to certain leases entered into by Endava Romania SRL. A corporate guarantee with the government of the Republic of North Macedonia was also provided guaranteeing the fulfillment of the obligations of Endava DOOEL Skopje under the contract for granting state aid. In addition, the parent company provided unlimited multilateral guarantee under the revolving credit facility.

No claims are expected to arise from the above guarantees.

Subsidiary Guarantees

Endava Romania SRL provided a bank guarantee of €9,000,000 in favour of Romanian Ministry of Finance under the contract for granting state aid.

Additionally, Endava Romania SRL, Endava DOOEL Skopje, Endava d.o.o. Beograd, Endava Inc, and Endava EOOD Bulgaria provided bank guarantees in relation to their leases of office space.

No claims are expected to arise from above guarantees.

23. Leases

The Group's lease portfolio consists of property leases of offices and delivery centres. The Group adopted IFRS 16 'Leases' at 1 July 2019 and applied the modified retrospective approach. For details of accounting policies refer to note 3. For details of the transitional impact of the change from IAS 17 and IFRIC 4 to IFRS 16 refer to note 2.

Disclosure required by IFRS 16

As a lessee:

Right-of-use assets

Set out below are the carrying amounts of the Group's right-of-use assets and the movements during the period:

	£'000
As at 1 July 2019	—
Adjustment on initial application of IFRS 16 (see note 2)	40,222
Additions	20,827
Disposals	(220)
Derecognition as a result of subleases	(1,336)
Modifications[(1)]	335
Depreciation charge	(9,072)
Effect of foreign exchange revaluation and translations	378
As at 30 June 2020	**51,134**

[(1)] Lease liabilities are remeasured when a change to future contractual cash flows is identified. Remeasurements were made in the year based upon changes in indexation and changes resulting from additional space rented. The carrying value of the corresponding right-of-use asset is also remeasured to reflect this change.

Lease liabilities

Set out below are the carrying amounts of the Group's lease liabilities and the movements during the period:

	Leasehold Buildings £'000	Office equipment £'000	Total £'000
As at 1 July 2019	—	21	21
Adjustment on initial application of IFRS 16 (see note 2)	40,173	—	40,173
Additions	20,818	—	20,818
Disposals	(242)	—	(242)
Modifications[1]	353	—	353
Interest	1,066	—	1,066
Payments	(9,882)	(21)	(9,903)
Effect of foreign exchange revaluation and translations	1,079	—	1,079
As at 30 June 2020	**53,365**	**—**	**53,365**

[1] Lease liabilities are remeasured when a change to future contractual cash flows is identified. Remeasurements were made in the year based upon changes in indexation and changes resulting from additional space rented.

The potential impact of lease covenants is considered to be immaterial.

The maturities of the Group's lease liabilities are as follows:

	2020 (IFRS 16) £'000	2019 (IAS 17) £'000
Less than 1 year	11,132	21
1 to 5 years	30,643	—
More than 5 years	16,168	—
Total undiscounted lease liabilities	**57,943**	**21**
Lease liabilities included in the balance sheet	**53,365**	**21**
Analysed as :		
Current	11,132	21
Non-current	42,233	—

Income Statement Impact

The following items have been recognised in the Consolidated statement of comprehensive income for the current and prior year:

	2020 (IFRS 16) £'000	2019 (IAS 17) £'000
Depreciation on right-of-use assets	9,072	—
Interest expense on lease liabilities	1,066	3
Expense related to short-term leases	437	—
Gain on sublease recognition	(472)	—
Gain on disposal of leases	(23)	—
Fair value movement of financial assets	(30)	—
Operating lease costs expensed	—	9,941
	10,050	**9,944**

The total Group cash outflow for leases as a lessee in the year was £9.90 million.

As a lessor:

During 2020, the Group entered into an arrangement to sub-lease a building that had been presented as part of a right-of-use asset. This has been classified as a finance sub-lease.

As a result of the above, the Group recognised a gain of £0.47 million on derecognition of the right-of-use asset pertaining to the building, which has been presented within Finance Income.

During 2020, the Group recognised interest income on lease receivables of £0.03 million (2019: nil).

The total Group cash inflow for leases as a lessor in the year was £0.67 million.

During the year the investment in finance lease receivable decreased by £0.64 million due to payments received, net off by interest income.

The following table sets out the maturity analysis of lease payments receivable for sub-leases classified as finance leases showing the undiscounted lease payments to be received after the reporting date and the net investment in the finance lease receivable.

	Finance leases 2020 £'000
Less than 1 year	584
1 to 2 years	534
2 to 3 years	78
3 to 4 years	—
4 to 5 years	—
More than 5 years	—
Total undiscounted lease payments receivable	**1,196**
Unearned finance income	27
Net investment in finance lease receivable	**1,223**

IAS 17 Disclosure as at 30 June 2019

Commitments Under Finance Leases

Future minimum finance lease payments at 30 June 2019 were as follows:

		2019 £'000
Amounts payable within 1 year	£	21
Amounts payable 1 to 3 years		—
Amounts payable 3 to 5 years		—
Amounts payable in more than 5 years		—
Total	**£**	**21**

Commitments Operating Leases

At 30 June 2019, the Group had commitments under non-cancellable operating leases as follows:

		2019 £'000
Amounts payable within 1 year	£	10,907
Amounts payable 1 to 3 years		19,868
Amounts payable 3 to 5 years		12,406
Amounts payable in more than 5 years		15,292
Total	**£**	**58,473**

24. Share Capital

Authorised share capital:	2020 £'000	2019 £'000
60,000,000 ordinary shares of £0.02 each	1,200	1,200

Allotted, called up and fully paid:	2020 No.	£'000	2019 No.	£'000
Class A ordinary shares	28,823,893	577	18,599,985	372
Class B ordinary shares	20,455,733	409	23,696,345	474
Class C ordinary shares	5,648,543	113	12,128,997	243
Ordinary shares of £0.02 each	**54,928,169**	**1,099**	**54,425,327**	**1,089**

The Company issued 502,842 new shares for the year ended 30 June 2020 (30 June 2019: 4,621,182) in relation to exercise of options and equity consideration related to acquisitions.

Voting rights, dividends and return of capital

Our Class B ordinary shares have ten votes per share, and our Class A ordinary shares, which are the shares underlying the ADSs, and Class C ordinary shares, prior to their automatic conversion into Class A ordinary shares, each had one vote per share. Any dividend declared by the Company shall be paid on Class A ordinary shares, and the class B ordinary shares (and, prior to the automatic conversion of the Class C ordinary shares, the Class C ordinary shares) pari passu as if they were all shares of the same class.

In the event of the liquidation, dissolution or winding up of the Company, the assets of the Company available for distribution to members shall be distributed amongst all holders of Class A ordinary shares and Class B ordinary shares (and, prior to the automatic conversion of the Class C ordinary shares, any Class C ordinary shares) in proportion to the number of shares held irrespective of the amount paid or credited as paid on any share.

Restrictions

Class B ordinary shares

During the period of one hundred and eighty (180) days commencing on the IPO, no transfers of Class B ordinary shares were permitted other than to a person who is a permitted Class B ordinary transferee or pursuant to the IPO (which for the avoidance of doubt includes sales pursuant to any secondary offering or exercise of any over-allotment option in connection with the IPO).

No transfers of Class B ordinary shares shall be permitted (other than to a person who is a permitted Class B ordinary transferee):

(a) in excess of 25% of the Class B ordinary shareholders holding of Class B ordinary shares (determined as at the IPO) in the period commencing 180 days after the IPO and ending on the date falling 18 months after the IPO;

(b) in excess of 40% of the Class B ordinary shareholders holding of Class B ordinary shares (determined as at the IPO) in the period commencing 180 days after the IPO and ending on the date falling on the third anniversary of the IPO; and

(c) in excess of 60% of the Class B ordinary shareholders holding of Class B ordinary shares (determined as at the IPO) in the period commencing 180 days after the IPO and ending on the fifth anniversary of the IPO.

A Class B ordinary shareholder may, at any time after the fifth (5th) anniversary of the IPO, elect at any time to convert any of its Class B ordinary shares into Class A ordinary shares on a one-for-one basis by notice in writing to the Directors.

Class C ordinary shares

During the period of one hundred and eighty (180) days commencing on the IPO, no transfers of Class C ordinary shares were permitted.

The Company and the managing underwriter acting in connection with the IPO executed prior to the IPO, no transfers of Class C ordinary shares shall be permitted (other than in accordance with Article 35.2) in excess of 25% of the Class C ordinary shareholders holding of Class C ordinary shares (determined as at the IPO) in the period commencing 180 days after the IPO and ending on the date falling 18 months after the IPO.

25. Distributions Made

During the year ended 30 June 2020, the Company did not declare and pay any cash dividends (2019: nil; 2018: nil).

26. Share-Based Payments

Description of share-based payment arrangements

The Group had the following share-based payment arrangements.

Company Share Option Plan

A Company Share Option Plan ("CSOP") was adopted on 7 May 2014 and share options over ordinary shares have been issued under the CSOP plan to certain employees of the Group. Options can be exercised on the fifth anniversary of the date of grant, upon an acquisition of the Company, and upon certain conditions of ceasing employment. In addition, our Board has discretion to permit the exercise of options upon the admission of shares to a recognised stock exchange or at an earlier time and under such conditions as determined by the Board. The options expire on the tenth anniversary of the date of grant.

Joint Share Ownership Plan

Certain of the Group's employees have entered into a Joint Share Ownership Plan ("JSOP") with the EBT, through which the participants have a right to receive any increase in the value of shares above a threshold amount (i) upon a sale of the Company, (ii) following a listing on a recognised stock exchange, when the participant gives a specific notice to the EBT trustee and the Company in respect of the JSOP Shares; (iii) upon the expiry of 25 years from the date of the applicable trust deed; or (iv) upon the participant leaving employment with the Group when the market value of the JSOP Shares is less than the threshold amount. The events referenced in clauses (i)-(iv) above are collectively referred as "Trigger Events."

On the date of a Trigger Event, the EBT trustee has an option to acquire the beneficial interest belonging to the participant. If the EBT trustee exercises this option, the EBT trustee will then either transfer shares of a value equal to, or pay cash to the participant in an amount equal to, the value of the option, calculated according to the terms of the JSOP. If the applicable employee leaves employment with the Group prior to the occurrence of a Trigger Event, the value of the shares is capped at such shares' fair market value on the employee's last day of employment and no payment is made until a Trigger Event occurs.

The Group does not have a present obligation to settle in cash and has no history of cash settling options. Therefore, the settlement of the transactions will be accounted for in accordance with the requirements applying to equity-settled share-based compensation transactions, as set forth in IFRS 2. On and from the date of any Trigger Event, and if and for so long as the EBT trustee has not exercised the option referred to above, the EBT trustee will use reasonable endeavours to sell the JSOP Shares and distribute the net proceeds of sale between the EBT trustee and the participant in the proportions calculated according to the terms of the JSOP.

The Trigger event - the listing on the New York Stock Exchange - happened on 27 July 2018. At 30 June 2020, the EBT held 551,723 shares (30 June 2019: 1,906,462), out of which 167,611 (30 June 2019: 715,548) are allocated to employee JSOPs. For the year ended 30 June 2020, 67,937 awards under the JSOP were exercised (2019: 2,724,917) settled by shares of the EBT, 480,000 JSOPs were cancelled and 306,802 options under LTIP were exercised (2019: 72,601) and settled by shares of the EBT.

The JSOPs expire 25 years following the applicable date of issue.

Long term Incentive Plan

A Company Long Term Incentive Plan ("LTIP") was adopted on 30 June 2015 under which options or conditional shares are intended to be awarded to certain employees of the Group. Under the LTIP, options or conditional shares can generally be banked over a five-year period subject to the achievement of annual Group performance targets. Once banked, the options become eligible to vest, with vesting occurring over a three-year period following a triggering event, which includes listing on a recognised stock exchange, a sale of the outstanding share capital of the Company or a sale of the assets of the business. The options and conditional shares expire on the earliest of the tenth anniversary of award or five years from the date of vesting.

2018 Equity Incentive Plan

On 16 April 2018, the Board adopted the 2018 Equity Incentive Plan ("EIP") and approved by the Company shareholders on 3 May 2018. The EIP allows for the grant of equity-based incentive awards to our employees and directors, who are also our employees.

The EIP provides for the grant of options, share appreciation rights, or SARs, restricted shares, restricted share units, or RSUs, performance restricted share units, or PSUs, and other share-based awards. All awards under the EIP are set forth in award agreements, which detail the terms and conditions of awards, including any applicable vesting and payment terms, change of control provisions and post-termination exercise limitations.

The EIP is administered by the board, which may delegate its duties and responsibilities to one or more committees of our directors and/or officers (referred to as the plan administrator below), subject to certain limitations imposed under the EIP, and other applicable laws and stock exchange rules. The plan administrator has the authority to take all actions and make all determinations under the EIP, to interpret the EIP and award agreements and to adopt, amend and repeal rules for the administration of the EIP as it deems advisable. The plan administrator also has the authority to determine which eligible service providers receive awards, grant awards, set the terms and conditions of all awards under the EIP, including any vesting and vesting acceleration provisions, subject to the conditions and limitations in the EIP.

The plan administrator may select performance criteria for an award to establish performance goals for a performance period. In connection with certain corporate transactions and events affecting our ordinary shares, including a change of control, another similar corporate transaction or event, another unusual or nonrecurring transaction or event affecting us or our financial statements or a change in any applicable laws or accounting principles, the plan administrator has broad discretion to take action under the EIP to prevent the dilution or enlargement of intended benefits, facilitate the transaction or event or give effect to the change in applicable laws or accounting principles. In the event of a change of control where the successor or acquirer entity does not agree to assume, continue or rollover the awards, the awards will vest in full effective immediately prior to the change of control.

During the fiscal year ended 30 June 2020, the Company granted RSUs and PSUs only. RSUs and PSUs are contractual promises to deliver our Class A ordinary shares in the future, which may also remain forfeitable unless and

until specified conditions are met. The plan administrator may provide that the delivery of the shares underlying RSUs will be deferred on a mandatory basis or at the election of the participant. The terms and conditions applicable to restricted shares, RSUs and PSUs will be determined by the plan administrator, subject to the conditions and limitations contained in the EIP.

2018 Sharesave Plan

On 16 April 2018, the Board adopted the 2018 Sharesave Plan ("Sharesave") and approved by the Company shareholders on 3 May 2018. The Sharesave is a U.K. tax advantaged share option plan and is intended to comply with the requirements of Schedule 3 of the Income Tax (Earnings and Provisions) Act 2003. The Sharesave was extended to award similar benefits to employees outside the United Kingdom.

The Sharesave provides that the board may require employees to have completed a qualifying period of employment (of up to five years) before they may apply for the grant of an option to purchase Class A ordinary shares. Participation in the Sharesave requires employees to agree to make regular monthly contributions to an approved savings contract of three or five years (or such other period permitted by the governing legislation).

No options to purchase Class A ordinary shares may be granted under the Sharesave more than 10 years after the Sharesave has been approved by shareholders.

Options granted under the Sharesave will normally be exercisable for a six-month period from the end of the relevant three or five year savings contract. Any options not exercised within the relevant exercise period will be forfeited.

Bonus Equity Payments

The acquisition of Velocity Partners in December 2017 also included bonus equity payments ("bonus payments") that are payable in future periods based on the continued service of certain employees of Velocity Partners. The bonus payments were accounted for outside of the business combination because the entitlement to bonus payments is automatically forfeited if employment terminates. They were fair valued as compensation for post business combination services under IFRS 2 and the compensation expense is recognised over a three-year vesting period.

In addition to the above share option schemes, 10,000 other options were granted on 7 September 2017 to a non-employee as compensation for services rendered with an average exercise price of £4.58 per option. All 10,000 options were exercised in the period ended 30 June 2019.

Movements during the year

The number and the weighted-average exercise prices of the share options under the above arrangements were as follows:

	CSOP	JSOP	LTIP	EIP	SAYE	Bonus Payments	Other
Options outstanding at 1 July 2019	**31,505**	**715,548**	**1,128,699**	**784,844**	**560,169**	**243,235**	**—**
Options granted during the year	—	—	—	710,673	267,834	—	—
Options exercised during the year	10,660	67,937	309,952	236,046	4,421	123,426	—
Options forfeited during the year	—	480,000	37,725	155,204	64,375	2,693	—
Options outstanding at 30 June 2020	**20,845**	**167,611**	**781,022**	**1,104,267**	**759,207**	**117,116**	**—**
Options outstanding at 1 July 2018	**125,545**	**3,440,465**	**1,277,700**	**—**	**—**	**360,345**	**10,000**
Options granted during the year	—	—	—	875,044	594,028	—	—
Options exercised during the year	94,040	2,724,917	72,601	46,000	—	117,110	10,000
Options forfeited during the year	—	—	76,400	44,200	33,859	—	—
Options outstanding at 30 June 2019	**31,505**	**715,548**	**1,128,699**	**784,844**	**560,169**	**243,235**	**—**
Options outstanding at 1 July 2017	**125,545**	**3,440,465**	**983,500**	**—**	**—**	**—**	**—**
Options granted during the year	—	—	329,700	—	—	360,345	10,000
Options exercised during the year	—	—	—	—	—	—	—
Options forfeited during the year	—	—	35,500	—	—	—	—
Options outstanding at 30 June 2018	**125,545**	**3,440,465**	**1,277,700**	**—**	**—**	**360,345**	**10,000**
Weighted average exercise price 30 June 2020 - £	0.43	—	—	—	22.12	—	—
Weighted average exercise price 30 June 2019 - £	0.59	—	—	—	19.59	—	—
Weighted average exercise price 30 June 2018 - £	0.82	—	—	—	—	—	4.58
Weighted average contractual life 2020 - years	5	17	5	3	2	1	0
Weighted average contractual life 2019 - years	5	17	6	3	2	2	0
Weighted average contractual life 2018 - years	6	19	7	0	0	3	1

Options granted in the period have been valued using a Black Scholes option pricing model using the following inputs:

	2020	2019	2018
Exercise price	£0.00 - £25.84	£0.00 - £19.59	£0.02 - £4.58
Risk free rate	1.0% - 1.6%	1.0%-2.91%	0.30%-0.37%
Expected volatility	30.0% - 36.0%	30.0%-36.0%	29.9%-36.9%
Expected dividends	—	—	—
Fair value of option	£12.96 - £43.10	£4.52-£29.54	£0.63-£7.14

For the year ended 30 June 2020, the Group recognised £15,663,000 (2019: £12,022,000; 2018: £1,505,000) of share-based payment charge in respect of the above share option schemes.

27. Movements in Equity

Share capital, share premium and merger relief reserve

New ordinary shares were issued as part of the equity consideration for Intuitus and Exozet acquisitons. The Company issued 98,147 Class A ordinary shares represented by ADSs to former equity holders of Intuitus and issued

24,392 Class A ordinary shares represented by ADSs to former equity holders of Exozet, which resulted in an increase in share capital and merger relief reserve of £2,000 and £3,954,000, respectively.

New ordinary shares were also issued for the exercise of options which resulted in an increase in share capital of £8,000 and share premium of £93,000.

Investment in own shares and retained earnings

During the year ended 30 June 2020, the Company declared and paid a non-recurring, discretionary employee bonus. The EBT funded the bonus through sales of the Company's Class A ordinary shares in two tranches: 500,000 shares sold at $38.00 in November 2019 and 480,000 shares sold at $41.75 in May 2020.

The EBT, whose beneficiaries are the Company's employees, was holding certain Class A ordinary shares for sale in the event it decided to fund a discretionary cash bonus to the Company's employees. The sale of shares resulted in a decrease in investment in own shares of £207,000 and increase in retained earnings of £30,710,000. From the total proceeds of £30,917,000, the Company settled the intercompany balance between the Company and the EBT of £2,860,000, paid transaction fees of £24,000 and the remaining funds were paid as bonus to our employees. Any individuals employed by the Company prior to the IPO date of 27 July 2018 and who had been continually employed up to, and including, the bonus calculation date, was eligible for the bonus. The Company recognised a bonus expense of £27,874,000 during the reporting period and incurred £159,000 foreign exchange differences resulted from exchange rate volatility upon payment.

67,937 JSOPs and 306,802 LTIPs were exercised and settled by shares owned by the EBT. This resulted in a decrease in investment in own shares of £299,000.

28. Cash Flow Adjustments and Changes in Working Capital

Adjustments	**2020 £'000**	**2019 £'000**	**2018 £'000**
Depreciation, amortisation and impairment of non-financial assets	£ 18,725	£ 7,900	£ 6,269
Foreign exchange (gain) / loss	(2,162)	(2,224)	354
Interest income	(499)	(476)	(35)
Fair value movement of financial liabilities	49	5,954	229
Interest expense	1,893	343	573
Gain on disposal of non-current assets	(11)	(23)	(5)
Share-based compensation expense	15,663	12,022	1,505
Hyperinflation effect gain	(26)	(9)	—
Research and development tax credit	(1,600)	(1,278)	(1,008)
Gain on sale of subsidiary	(2,215)	—	—
Gain on sublease recognition	(472)	—	—
Gain on right of use assets disposals	(23)	—	—
Fair value movement of financial assets	(30)	—	—
Grant income	(670)	(819)	(1,633)
Total adjustments	**£ 28,622**	**£ 21,390**	**£ 6,249**

Net changes in working capital	**2020 £'000**	**2019 £'000**	**2018 £'000**
Increase in trade and other receivables	£ (14,120)	£ (16,343)	£ (6,384)
Increase in trade and other payables	6,361	4,827	13,223
Net changes in working capital	**£ (7,759)**	**£ (11,516)**	**£ 6,839**

Non-Cash Changes Arising from Financing Activities

Borrowings	Beginning of the year £'000	Proceeds from borrowings £'000	Repayment of borrowings £'000	Non-cash foreign exchange £'000	Non-cash Other £'000	End of the year £'000
2018	**29,465**	26,462	(36,768)	605	—	**19,764**
2019	**19,764**	3,500	(23,547)	304	—	**21**
2020	**21**	—	(21)	—	—	**—**

Grant received	Beginning of the year £'000	Cash received £'000	Grant income £'000	Non-cash foreign exchange £'000	Non-cash Other £'000	End of the year £'000
2018	**664**	148	(1,633)	5	—	**(816)**
2019	**(816)**	1,786	(819)	(24)	—	**127**
2020	**127**	888	(670)	(14)	—	**331**

The grant receivable in 2018 was presented in trade and other receivables and the grant payable in 2019 and 2020 were presented in trade and other payables.

29. Capital Commitments

Amounts contracted but not provided for in the financial statements amounted to £nil in the year ended 30 June 2020 (2019: £nil).

30. Contingent Liabilities

The Group had no contingent liabilities at 30 June 2020 or 30 June 2019.

31. Financial Instrument Risk

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarised in note 21. The main types of risks are foreign exchange risk, interest rate risk, credit risk and liquidity risk.

The Group's risk management is coordinated at its headquarters, in close cooperation with the Board, and focuses on actively securing the Group's short to medium-term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Foreign Currency Sensitivity

The Group is exposed to translation and transaction foreign currency exchange risk. Several other currencies in addition to the presentation currency of Sterling are used, including Romanian Lei (RON), Euro (EUR) and US Dollars (USD).

The Group experiences currency exchange differences arising upon retranslation of monetary items (primarily short-term inter-company balances and borrowings), which are recognised as an expense in the period the difference occurs. The Group endeavours to match the cash inflows and outflows in the various currencies; the Group typically invoices its clients in their local currency, and pays its local expenses in local currency as a means to mitigate this risk.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below. The amounts shown are translated into GBP at the closing rate:

June 30, 2020	GBP £'000	EUR £'000	USD £'000	RON £'000	Others £'000	TOTAL £'000
Financial assets	133,613	14,802	21,060	5,324	9,142	**183,941**
Financial liabilities	(30,012)	(7,593)	(5,885)	(37,733)	(36,083)	**(117,306)**
Total	**103,601**	**7,209**	**15,175**	**(32,409)**	**(26,941)**	**66,635**

June 30, 2019	GBP £'000	EUR £'000	USD £'000	RON £'000	Others £'000	TOTAL £'000
Financial assets	93,315	10,183	19,572	6,425	6,594	**136,089**
Financial liabilities	(19,984)	(2,593)	(8,924)	(14,329)	(5,566)	**(51,396)**
Total	**73,331**	**7,590**	**10,648**	**(7,904)**	**1,028**	**84,693**

The Group is also exposed to exchange differences arising from the translation of its subsidiaries' financial statements into the Group's presentation currency of Sterling with the corresponding exchange differences taken directly to equity.

The following tables illustrate the sensitivity of profit and equity in regards to the Group's financial assets and financial liabilities and the RON/Sterling exchange rate. The RON exposure impacts the majority of the Group's cost base. Therefore as the Sterling strengthens, subject to any prevailing hedge arrangements, the Group benefits from a cost improvement and vice versa.

During the year ended 30 June 2020 the Sterling/RON volatility ranged from the RON strengthening against Sterling by 6% to weakening by 7%.

	GBP/RON	Profit impact £'000	Equity impact £'000
June 30, 2020	6 %	(587)	(522)
June 30, 2020	(7)%	722	641

During the year ended 30 June 2019, the Sterling/RON volatility ranged from the RON strengthening against Sterling by 5% to weakening by 4%.

	GBP/RON	Profit impact £'000	Equity impact £'000
June 30, 2019	5 %	(564)	(504)
June 30, 2019	(4)%	470	421

Interest Rate Sensitivity

At 30 June 2020, the Group is exposed to changes in market interest rates through bank borrowings on its Revolving Credit Facility at variable interest rates.

Credit Risk Analysis

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, including trade receivables. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 30 June, as summarised below:

		2020 £'000		2019 £'000
Cash and cash equivalents	£	101,327	£	70,172
Trade and other receivables		82,614		65,917
Total	**£**	**183,941**	**£**	**136,089**

The Group monitors defaults of clients and other counterparties, identified either individually, or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on clients and other counterparties are obtained and used.

Management considers that all financial assets that are not impaired or past due at the end of the applicable reporting period are of good credit quality. Some of the unimpaired trade receivables are generally past due as of the end of the applicable reporting period. Information on financial assets past due but not impaired are as follows:

		2020 £'000		2019 £'000
Not more than 3 months	£	2,347	£	2,595
More than 3 months but not more than 6 months		1,329		357
More than 6 months but not more than 1 year		—		—
More than 1 year		—		—
Total	**£**	**3,676**	**£**	**2,952**

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The Group's trade receivables are from a large number of clients in various industries and geographical areas. Based on historical information about client default rates, management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity Risk Analysis

The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a longer-term basis. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Group's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. This objective was met for all of the reporting periods presented.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Group's existing cash resources and trade receivables exceed the current cash outflow requirements. Cash flows from trade and other receivables are all contractually due within six months.

As at 30 June 2020, the Group's non-derivative financial liabilities had contractual maturities (including interest payments where applicable) as summarised below:

	Current 0 - 6 months £'000	Current 6 - 12 months £'000	Non-Current 1 - 5 years £'000	Non-Current +5 years £'000
Lease liabilities	5,652	5,480	30,643	11,590
Trade and other payables	58,599	—	—	—
Deferred consideration	1,827	1,937	—	—
Contingent consideration	—	1,442	—	—
Other liabilities	—	—	136	—
Total	**£ 66,078**	**£ 8,859**	**£ 30,779**	**£ 11,590**

There were no forward foreign currency options in place at 30 June 2020.

As at 30 June 2019, the Group's non-derivative financial liabilities had contractual maturities (including interest payments where applicable) as summarised below:

	Current 0 - 6 months £'000	Current 6 - 12 months £'000	Non-Current 1 - 5 years £'000	Non-Current +5 years £'000
Finance lease obligations	14	7	—	—
Trade and other payables	48,502	—	—	—
Deferred consideration	1,516	—	—	—
Contingent consideration	—	1,244	—	—
Other liabilities	—	—	113	—
Total	**£ 50,032**	**£ 1,251**	**£ 113**	**£ —**

32. Capital Management Policies and Procedures

The Group's capital management objectives are:

- to ensure the Group's ability to continue as a going concern; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity plus loan, less cash and cash equivalents as presented on the consolidated balance sheet. The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	2020 £'000	2019 £'000
Equity	236,327	166,329
Loans and borrowings	—	21
Less: Cash and cash equivalents	(101,327)	(70,172)
Total Capital	**£ 135,000**	**£ 96,178**

33. Subsequent Events

On August 17, 2020, Endava completed the acquisition of CDS by acquiring the total issued share capital of Comtrade CDS, digitalne storitve, d.o.o., a company registered in Slovenia, ("CDS Slovenia") and Comtrade Digital Services d.o.o., a company registered in Serbia, ("CDS Serbia"). CDS Slovenia and CDS Serbia together own and operate (either directly or through subsidiaries) all of the trade and assets that comprise CDS. CDS was formerly a division of Comtrade Group B.V. ("Comtrade"). CDS is headquartered in Dublin, Ireland, has delivery centers across the Adriatic, and provides strategic software engineering services and solutions to clients in Europe and in the United States.

The acquisition was made pursuant to the terms of a share purchase agreement between Endava (UK) Limited, Comtrade Group B.V. and Comtrade Solutions Management Holdinška Družba d.o.o., dated August 17, 2020.

The total consideration was €60 million payable in cash, which amount remains subject to post-closing adjustments based on the cash, debt and working capital of CDS as of the closing date. 10% of the purchase price will be held back for 24 months and be available to satisfy any warranty or indemnity claims. Pursuant to the terms of a transitional services agreement, Comtrade will continue to provide certain services to Endava with respect to CDS for a period of time following completion of the acquisition.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Endava plc

/s/ John Cotterell

By: John Cotterell

Title: Chief Executive Officer

(Principal Executive Officer)

Date: September 15, 2020

Exhibit 2.3(a)

DESCRIPTION OF SHARE CAPITAL

The following summarizes the material provisions of our articles of association and highlights certain differences in corporate law in the United Kingdom and the United States. Please note that this summary is not intended to be exhaustive. For further information, please refer to the full version of our articles of association, which are included as an exhibit to our Annual Report on Form 20-F. All references to "Endava," the "company," "we," "our," or "us" refer to Endava plc.

General

Endava plc is a public limited company, originally incorporated pursuant to the laws of England and Wales in February 2006 as a private company with limited liability called Endava Limited, and as the holding company for the Endava group. In connection with our initial public offering, we completed a corporate reorganization, pursuant to which all of our shareholders were required to elect to exchange each of the existing ordinary shares in the capital of Endava Limited held by them for the same number of Class B ordinary shares or Class C ordinary shares; provided, that the Endava Limited Guernsey Employee Benefit Trust exchanged all existing ordinary shares held by it for the same number of Class A ordinary shares. Each Class A ordinary share is entitled to one vote per share, each Class B ordinary share is entitled to ten votes per share and each Class C ordinary share was, prior to the automatic conversion of all then-outstanding Class C ordinary shares to Class A ordinary shares on July 26, 2020, entitled to one vote per share.

We are registered with the Registrar of Companies in England and Wales under number 5722669, and our registered office is 125 Old Broad Street, London EC2N 1AR, United Kingdom.

Our Class A ordinary shares and Class B ordinary shares have the rights and restrictions described in "- Key Provisions in our Articles of Association."

We are not permitted under English law to hold our own shares unless they are repurchased by us and held in treasury.

Key Provisions in our Articles of Association

The following is a summary of certain key provisions of our amended and restated articles of association, which we refer to as our articles of association.

Objects and Purposes

The Companies Act abolished the need for an objects clause and, as such, our objects are unrestricted.

Shares and Rights Attaching to Them

General

Other than the voting rights described herein, all shares have the same rights and rank *pari passu* in all respects. Subject to the provisions of the Companies Act and any other relevant legislation, our shares may be issued with such preferred, deferred or other rights, or such restrictions, whether in relation to dividends, returns of capital, voting or otherwise, as may be determined by ordinary resolution (or, failing any such determination, as the directors may determine). We may also issue shares which are, or are liable to be, redeemed at the option of us or the holder.

Voting Rights

In accordance with our articles of association, all votes shall take place on a poll at general meetings of shareholders.

The holders of Class A ordinary shares are entitled to vote at general meetings of shareholders. Each Class A ordinary shareholder is entitled to one vote for each Class A ordinary share held.

For so long as any shares are held in a settlement system operated by the Depository Trust Company, all votes shall take place on a poll.

The holders of Class B ordinary shares are entitled to vote at general meetings of shareholders, and have preferential voting rights on a vote taken by way of a poll. Each Class B ordinary shareholder is entitled to ten votes for each Class B ordinary share held.

In the case of joint holders of a Class A ordinary share or a Class B ordinary share, the vote of the joint holder whose name appears first on the register of members in respect of the joint holding shall be accepted to the exclusion of the votes of the other joint holders.

A shareholder is entitled to appoint another person as his proxy (or in the case of a corporation, a corporative representative) to exercise all or any of his rights to attend and to speak and vote at a general meeting.

Share Conversion

The holders of Class B ordinary shares are entitled to elect at any time after July 26, 2023 to convert their shares into Class A ordinary shares on a one-for-one basis. The Class B ordinary shares will also automatically convert into Class A ordinary shares if (i) the aggregate number of voting rights attaching to the Class B ordinary shares then in issue represents less than 10% of the total voting rights in the Company or (ii) any Class B ordinary share is transferred to anyone other than a permitted transferee.

A "permitted transferee" includes (i) a trust for the benefit of the applicable shareholder or persons other than the applicable shareholder; provided, that the transfer does not involve a disposition for value and the applicable shareholder maintains sole dispositive power and exclusive voting control over the shares, (ii) a pension, profit sharing, stock bonus or other type of plan or trust of which the applicable shareholder is a participant or beneficiary, provided, that the

applicable shareholder maintains sole dispositive power and exclusive voting control over the shares, (iii) a corporation, partnership or limited liability company in which the applicable shareholder directly or indirectly maintains sole dispositive power and exclusive voting control over the shares, (iv) an affiliate of the applicable shareholder or (v) a person or entity on the share register of the company at the time of the transfer who is already a holder of the same class of ordinary shares.

Capital Calls

Under our articles of association, the liability of our shareholders is limited to the amount, if any, unpaid on the shares held by them.

The directors may from time to time make calls on shareholders in respect of any monies unpaid on their shares, whether in respect of nominal value of the shares or by way of premium. Shareholders are required to pay called amounts on shares subject to receiving at least 14 clear days' notice specifying the time and place for payment. "Clear days" notice means calendar days and excludes the date when the notice was served or deemed to be served and the day for which it is given or on which it is to have effect. If a shareholder fails to pay any part of a call, the directors may serve further notice naming another day not being less than 14 clear days from the date of the further notice requiring payment and stating that in the event of non-payment the shares in respect of which the call was made will be liable to be forfeited. Subsequent forfeiture requires a resolution by the directors.

Restrictions on Voting Where Sums Overdue on Shares

None of our shareholders (whether in person or by proxy or, in the case of a corporate member, by a duly authorized representative) shall (unless the directors otherwise determine) be entitled to vote at any general meeting or at any separate class meeting in respect of any share held by him unless all calls or other sums payable by him in respect of that share have been paid.

Dividends

The directors may pay interim and final dividends in accordance with the respective rights and restrictions attached to any share or class of share, if it appears to them that they are justified by the profits available for distribution.

Unless otherwise provided by the rights attaching to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, and apportioned and paid proportionally to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid.

Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the directors resolve, be forfeited and cease to remain owing by us. In addition, we will not be considered a trustee with respect to, or liable to pay interest on, the amount of any unclaimed dividend and any sums unclaimed for 12 months after becoming payable may be invested or otherwise used for our benefit.

We may cease to send any payment in respect of any dividend payable in respect of a share if:

- in respect of at least two consecutive dividends payable on that share the check, warrant or order has been returned undelivered or remains uncashed; or
- in respect of one dividend payable on that share the check, warrant or order has been returned undelivered or remains uncashed and reasonable inquiries have failed to establish any new address.

The directors may offer to shareholders the right to elect to receive, in lieu of a dividend, an allotment of new shares credited as fully paid. The directors may also direct payment of a dividend wholly or partly by the distribution of specific assets.

Distribution of Assets on Winding-up

In the event of our winding-up, liquidation or dissolution, any distribution of assets will be made to the holders of Class A ordinary shares and any Class B ordinary shares in proportion to the number of shares held by each of them, irrespective of the amount paid or credited as paid on any such share.

Variation of Rights

The rights attached to any class may be varied, either while we are a going concern or during or in contemplation of a winding up (a) in such manner (if any) as may be provided by those rights; (b) in the absence of any such provision, with the consent in writing of the holders of three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares); or (c) with the authority of a special resolution passed at a separate meeting of the holders of the shares of that class.

Transfer of Shares

All of our shares are in registered form and may be transferred by an instrument of transfer in any usual or common form or any form acceptable to the directors and permitted by the Companies Act and any other relevant legislation.

The directors may, in their absolute discretion, refuse to register the transfer of a share in certificated form unless: (a) it is fully paid; (b) it is for a share upon which we have no lien; (c) is lodged, duly stamped, at our registered office or at such other place as the directors may appoint and (except in the case of a transfer by a financial institution where a certificate has not been issued in respect of the share) is accompanied by the certificate for the share to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; (d) is in respect of only one class of share; and (e) is in favor of a single transferee or not more than four joint transferees.

The directors may refuse to register a transfer of a share in uncertificated form in any of the circumstances that are allowed or required by the Uncertificated Securities Regulations 2001 (as amended) or other applicable regulations to register the transfer.

Restrictions on Transfers

Save under certain circumstances set out in the articles of association, the holders of Class B ordinary shares may not (other than to a permitted transferee):

- transfer in excess of 25% of their Class B ordinary shares during the 18-month period from July 26, 2018, the date of the final prospectus for our initial public offering, through January 26, 2020;
- transfer in excess of 40% of their Class B ordinary shares during the three-year period from July 26, 2018 through July 26, 2021; and
- transfer in excess of 60% of their Class B ordinary shares during the five-year period from July 26, 2018 through July 26, 2023.

Alteration of Capital

We may, by ordinary resolution, consolidate and divide all or any of our share capital into shares of larger amount than our existing shares; and sub-divide our shares, or any of them, into shares of a smaller amount than our existing shares; and determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage or be subject to any restriction as compared with the others.

Preemption Rights

There are no rights of preemption under our articles of association in respect of transfers of issued shares. In certain circumstances, our shareholders may have statutory preemption rights under the Companies Act in respect of the allotment of new shares in our company. These statutory preemption rights, when applicable, would require us to offer new shares for allotment to existing shareholders on a pro rata basis before allotting them to other persons. In such circumstances, the procedure for the exercise of such statutory preemption rights would be set out in the documentation by which such shares would be offered to our shareholders. These statutory preemption rights may be disapplied by a special resolution passed by shareholders in a general meeting or a specific provision in our articles of association. Our articles of association disapply these statutory preemption rights for a period of five years from the completion of our initial public offering and in respect of shares up to an aggregate nominal value of £3,000,000.

Limitation on Owning Securities

Our articles of association do not restrict in any way the ownership or voting of our shares by non-residents.

Disclosure of Interests in Shares

If we serve a demand on a person under Section 793 of the Companies Act (which requires a person to disclose an interest in shares), that person will be required to disclose any interest he or she has in our shares. Failure to disclose any interest can result in the following sanctions: suspension of the right to attend or vote (whether in person or by representative or proxy) at any general meeting or at any separate meeting of the holders of any class or to exercise any other right conferred by membership in relation to any such meeting; and where the interest in shares represent at

least 0.25% of their class (excluding treasury shares) also the withholding of any dividend payable in respect of those shares and the restriction of the transfer of any shares (subject to certain exceptions).

Directors

Number

Unless and until our shareholders otherwise determine by ordinary resolution, the number of directors shall not be less than two nor more than 15.

Appointment of Directors

Both we, by ordinary resolution, and our directors may appoint a person to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed as the maximum number of directors.

Termination of a Director's Appointment

We may, by special resolution or ordinary resolution in accordance with Section 312 of the Companies Act, remove a director from office. A director may also be required to resign by all of the other directors, and a person would cease to be a director as the result of certain other circumstances as set out in our articles of association, including resignation, by law and continuous non-attendance at board meetings. Directors are not subject to retirement at a specified age limit under our articles of association.

Borrowing Powers

Under our directors' general power to manage our business, our directors may exercise all our powers to borrow money, to give indemnities or guarantees and to mortgage or charge our undertaking, property, assets and uncalled capital or parts thereof and to issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of ours or of any third party.

Quorum

The quorum necessary for the transaction of business of the directors may be fixed from time to time by the directors and unless so fixed shall be two directors. A director shall not be counted in the quorum in relation to any resolution on which he or she is not entitled to vote.

Matters arising at a meeting of the board of directors shall be determined by a majority of votes. Where there is an equality of votes, the chairman of our board of directors shall have the casting vote (unless he or she is not entitled to vote on the resolution in question).

Directors' Interests and Restrictions

Subject to the Companies Act and provided that a director has disclosed to the other directors the nature and extent of any material interest of such director and the other directors have authorized such interest, a director notwithstanding his or her office may:

(1) be a party to, or otherwise interested in, any transaction or arrangement with us or in which we are otherwise interested
(2) may be a director or other officer of, or be employed by, or hold any position with, or be a party to any transaction or arrangement with, or otherwise interested in, any entity in which we are interested;
(3) act by himself or through his firm in a professional capacity for us (except as an auditor) and will be entitled to remuneration for professional services as if he were not a director; and
(4) hold any office or place of profit with us (except as an auditor) in conjunction with his office as director for such period, and on such terms, including as to remuneration as our board of directors may decide.

A director shall not, unless he agreed otherwise, by reason of his or her office as a director, be accountable to us for any benefit which he or she derives from any interest or position referred to in (1) above and no transaction or arrangement shall be liable to be avoided on the ground of any interest, office, employment or position referred to within (1) above.

The directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorization) authorize, to the fullest extent permitted by law: (a) any matter which would otherwise result in a director infringing his or her duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with our interests and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties); and (b) a director to accept or continue in any office, employment or position in addition to his or her office as a director, provided that the authorization is effective only if (1) any requirement as to the quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and (2) the matter was agreed to without their voting or would have been agreed to if their votes had not been counted.

Remuneration

The board of directors may determine the amount of fees to be paid to the directors for their services, which must not exceed £2,000,000 per year unless otherwise determined by ordinary resolution.

Any director who holds any other office with us, or who performs or renders any special duties or services outside of the ordinary duties of a director may be paid such additional remuneration as the directors may determine.

The directors may also be paid their reasonable expenses properly incurred by them in connection with the performance of their duties as directors (including the expenses of attending meetings).

Share Qualification of Directors

Our articles of association do not require a director to hold any shares in us by way of qualification. A director who is not a member shall nevertheless be entitled to attend and speak at general meetings.

Indemnity of Officers

Subject to the provisions of any relevant legislation, each of our current or former directors and other officers (as well as those of our subsidiary or sister companies) are entitled to be indemnified by us against all liabilities incurred by him or her in the execution and discharge of his or her duties or in relation to those duties. The Companies Act renders void an indemnity for a director against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he or she is a director.

Shareholders Meetings

Calling of General Meetings

A general meeting may be called by the board of directors or the chairman of the board of directors at any time. The directors are also required to call a general meeting once we have received requests from our members to do so in accordance with the Companies Act.

A general meeting may be held both physically and electronically.

Quorum of Meetings

No business shall be transacted at any meeting unless a quorum is present. Two members present in person or by proxy and entitled to vote on the business shall be a quorum.

Attendance

The directors or the chairman of the meeting may attend a general meeting and may direct that any person wishing to attend any general meeting should submit to and comply with such searches or other security arrangements as they consider appropriate in the circumstances.

The directors may make arrangements for simultaneous attendance and participation by electronic means allowing persons not present together at the same place to attend, speak and vote at general meetings.

Differences in Corporate Law

The applicable provisions of the Companies Act differ from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain differences between the provisions of the Companies Act applicable to us and the Delaware General Corporation Law relating to shareholders' rights and protections. This summary is not intended to be a complete discussion of the respective rights and it is qualified in its entirety by reference to Delaware law and English law.

	England and Wales	Delaware
Number of Directors	Under the Companies Act, a public limited company must have at least two directors and the number of directors may be fixed by or in the manner provided in a company's articles of association.	Under Delaware law, a corporation must have at least one director and the number of directors shall be fixed by or in the manner provided in the bylaws.
Removal of Directors	Under the Companies Act, shareholders may remove a director without cause by an ordinary resolution (which is passed by a simple majority of those voting in person or by proxy at a general meeting) irrespective of any provisions of any service contract the director has with the company, provided 28 clear days' notice of the resolution has been given to the company and its shareholders. On receipt of notice of an intended resolution to remove a director, the company must forthwith send a copy of the notice to the director concerned. Certain other procedural requirements under the Companies Act must also be followed, such as allowing the director to make representations against his or her removal either at the meeting or in writing.	Under Delaware law, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except (1) unless the certificate of incorporation provides otherwise, in the case of a corporation whose board of directors is classified, stockholders may effect such removal only for cause, or (2) in the case of a corporation having cumulative voting, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which he is a part.
Vacancies on the Board of Directors	Under English law, the procedure by which directors, other than a company's initial directors, are appointed is generally set out in a company's articles of association, provided that where two or more persons are appointed as directors of a public limited company by resolution of the shareholders, resolutions appointing each director must be voted on individually.	Under Delaware law, vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) or by a sole remaining director unless (1) otherwise provided in the certificate of incorporation or bylaws of the corporation or (2) the certificate of incorporation directs that a particular class of stock is to elect such director, in which case a majority of the other directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.
Annual General Meeting	Under the Companies Act, a public limited company must hold an annual general meeting in each six-month period following the company's annual accounting reference date.	Under Delaware law, the annual meeting of stockholders shall be held at such place, on such date and at such time as may be designated from time to time by the board of directors or as provided in the certificate of incorporation or by the bylaws.
General Meeting	Under the Companies Act, a general meeting of the shareholders of a public limited company may be called by the directors. Shareholders holding at least 5% of the paid-up capital of the company carrying voting rights at general meetings (excluding any paid up capital held as treasury shares) can require the directors to call a general meeting and, if the directors fail to do so within a certain period, may themselves convene a general meeting.	Under Delaware law, special meetings of the stockholders may be called by the board of directors or by such person or persons as may be authorized by the certificate of incorporation or by the bylaws.

Notice of General Meetings	Under the Companies Act, at least 21 days' notice must be given for an annual general meeting and any resolutions to be proposed at the meeting. Subject to a company's articles of association providing for a longer period, at least 14 days' notice is required for any other general meeting of a public limited company. In addition, certain matters, such as the removal of directors or auditors, require special notice, which is 28 days' notice. The shareholders of a company may in all cases consent to a shorter notice period, the proportion of shareholders' consent required being 100% of those entitled to attend and vote in the case of an annual general meeting and, in the case of any other general meeting, a majority in number of the members having a right to attend and vote at the meeting, being a majority who together hold not less than 95% in nominal value of the shares giving a right to attend and vote at the meeting.	Under Delaware law, unless otherwise provided in the certificate of incorporation or bylaws, written notice of any meeting of the stockholders must be given to each stockholder entitled to vote at the meeting not less than ten nor more than 60 days before the date of the meeting and shall specify the place, date, hour and purpose or purposes of the meeting.
Quorum	Subject to the provisions of a company's articles of association, the Companies Act provides that two shareholders present at a meeting (in person or by proxy) shall constitute a quorum.	The certificate of incorporation or bylaws may specify the number of shares, the holders of which shall be present or represented by proxy at any meeting in order to constitute a quorum, but in no event shall a quorum consist of less than one third of the shares entitled to vote at the meeting. In the absence of such specification in the certificate of incorporation or bylaws, a majority of the shares entitled to vote, present in person or represented by proxy, shall constitute a quorum at a meeting of stockholders.
Proxy	Under the Companies Act, at any meeting of shareholders, a shareholder may designate another person to attend, speak and vote at the meeting on their behalf by proxy.	Under Delaware law, at any meeting of stockholders, a stockholder may designate another person to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A director of a Delaware corporation may not issue a proxy representing the director's voting rights as a director.

Issue of New Shares	Under the Companies Act, the directors of a company must not exercise any power to allot shares or grant rights to subscribe for, or to convert any security into, shares unless they are authorized to do so by the company's articles of association or by an ordinary resolution of the shareholders. Any authorization given must state the maximum amount of shares that may be allotted under it and specify the date on which it will expire, which must be not more than five years from the date the authorization was given. The authority can be renewed by a further resolution of the shareholders.	Under Delaware law, if the company's certificate of incorporation so provides, the directors have the power to authorize additional stock. The directors may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the company or any combination thereof.
Preemptive Rights	Under the Companies Act, "equity securities," being (1) shares in the company other than shares that, with respect to dividends and capital, carry a right to participate only up to a specified amount in a distribution, referred to as "ordinary shares," or (2) rights to subscribe for, or to convert securities into, ordinary shares, proposed to be allotted for cash must be offered first to the existing equity shareholders in the company in proportion to the respective nominal value of their holdings, unless an exception applies or a special resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise in each case in accordance with the provisions of the Companies Act.	Under Delaware law, shareholders have no preemptive rights to subscribe to additional issues of stock or to any security convertible into such stock unless, and except to the extent that, such rights are expressly provided for in the certificate of incorporation.
Authority to Allot	Under the Companies Act, the directors of a company must not allot shares or grant rights to subscribe for or convert any security into shares unless an exception applies or an ordinary resolution to the contrary has been passed by shareholders in a general meeting or the articles of association provide otherwise, in each case in accordance with the provisions of the Companies Act.	Under Delaware law, if the corporation's charter or certificate of incorporation so provides, the board of directors has the power to authorize the issuance of stock. The board of directors may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the corporation or any combination thereof. It may determine the amount of such consideration by approving a formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration is conclusive.

Liability of Directors and Officers	Under the Companies Act, any provision, whether contained in a company's articles of association or any contract or otherwise, that purports to exempt a director of a company, to any extent, from any liability that would otherwise attach to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company, is void. Any provision by which a company directly or indirectly provides an indemnity, to any extent, for a director of the company or of an associated company against any liability attaching to him in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which he is a director is also void except as permitted by the Companies Act, which provides exceptions for the company to: (1) purchase and maintain insurance against such liability; (2) provide a "qualifying third party indemnity," or an indemnity against liability incurred by the director to a person other than the company or an associated company or criminal proceedings in which he is convicted; and (3) provide a "qualifying pension scheme indemnity," or an indemnity against liability incurred in connection with the company's activities as trustee of an occupational pension plan.	Under Delaware law, a corporation's certificate of incorporation may include a provision eliminating or limiting the personal liability of a director to the corporation and its stockholders for damages arising from a breach of fiduciary duty as a director. However, no provision can limit the liability of a director for: • any breach of the director's duty of loyalty to the corporation or its stockholders; • acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; • intentional or negligent payment of unlawful dividends or stock purchases or redemptions; or • any transaction from which the director derives an improper personal benefit.

Voting Rights	Under English law, unless a poll is demanded by the shareholders of a company or is required by the chairman of the meeting or the company's articles of association, shareholders shall vote on all resolutions on a show of hands. Under the Companies Act, a poll may be demanded by: (1) not fewer than five shareholders having the right to vote on the resolution; (2) any shareholder(s) representing not less than 10% of the total voting rights of all the shareholders having the right to vote on the resolution (excluding any voting rights attaching to treasury shares); or (3) any shareholder(s) holding shares in the company conferring a right to vote on the resolution (excluding any voting rights attaching to treasury shares) being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right. A company's articles of association may provide more extensive rights for shareholders to call a poll. Under English law, an ordinary resolution is passed on a show of hands if it is approved by a simple majority (more than 50%) of the votes cast by shareholders present (in person or by proxy) and entitled to vote. If a poll is demanded, an ordinary resolution is passed if it is approved by holders representing a simple majority of the total voting rights of shareholders present, in person or by proxy, who, being entitled to vote, vote on the resolution. Special resolutions require the affirmative vote of not less than 75% of the votes cast by shareholders present, in person or by proxy, at the meeting.	Delaware law provides that, unless otherwise provided in the certificate of incorporation, each stockholder is entitled to one vote for each share of capital stock held by such stockholder.
Shareholder Vote on Certain Transactions	The Companies Act provides for schemes of arrangement, which are arrangements or compromises between a company and any class of shareholders or creditors and used in certain types of reconstructions, amalgamations, capital reorganizations or takeovers. These arrangements require: the approval at a shareholders' or creditors' meeting convened by order of the court, of a majority in number of shareholders or creditors representing 75% in value of the capital held by, or debt owed to, the class of shareholders or creditors, or class thereof present and voting, either in person or by proxy; and the approval of the court.	Generally, under Delaware law, unless the certificate of incorporation provides for the vote of a larger portion of the stock, completion of a merger, consolidation, sale, lease or exchange of all or substantially all of a corporation's assets or dissolution requires: the approval of the board of directors; and the approval by the vote of the holders of a majority of the outstanding stock or, if the certificate of incorporation provides for more or less than one vote per share, a majority of the votes of the outstanding stock of the corporation entitled to vote on the matter.

Standard of Conduct for Directors	Under English law, a director owes various statutory and fiduciary duties to the company, including: to act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole; to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly conflicts, with the interests of the company; to act in accordance with the company's constitution and only exercise his powers for the purposes for which they are conferred; to exercise independent judgment; to exercise reasonable care, skill and diligence; not to accept benefits from a third party conferred by reason of his being a director or doing, or not doing, anything as a director; and to declare any interest that he has, whether directly or indirectly, in a proposed or existing transaction or arrangement with the company.	Delaware law does not contain specific provisions setting forth the standard of conduct of a director. The scope of the fiduciary duties of directors is generally determined by the courts of the State of Delaware. In general, directors have a duty to act without self-interest, on a well-informed basis and in a manner they reasonably believe to be in the best interest of the stockholders. Directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and to its shareholders. The duty of care generally requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he reasonably believes to be in the best interests of the corporation. He must not use his corporate position for personal gain or advantage. In general, but subject to certain exceptions, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Delaware courts have also imposed a heightened standard of conduct upon directors of a Delaware corporation who take any action designed to defeat a threatened change in control of the corporation. In addition, under Delaware law, when the board of directors of a Delaware corporation approves the sale or break-up of a corporation, the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the shareholders.

Shareholder Suits	Under English law, generally, the company, rather than its shareholders, is the proper claimant in an action in respect of a wrong done to the company or where there is an irregularity in the company's internal management. Notwithstanding this general position, the Companies Act provides that (1) a court may allow a shareholder to bring a derivative claim (that is, an action in respect of and on behalf of the company) in respect of a cause of action arising from a director's negligence, default, breach of duty or breach of trust and (2) a shareholder may bring a claim for a court order where the company's affairs have been or are being conducted in a manner that is unfairly prejudicial to some of its shareholders.	Under Delaware law, a stockholder may initiate a derivative action to enforce a right of a corporation if the corporation fails to enforce the right itself. The complaint must: state that the plaintiff was a stockholder at the time of the transaction of which the plaintiff complains or that the plaintiff's shares thereafter devolved on the plaintiff by operation of law; and allege with particularity the efforts made by the plaintiff to obtain the action the plaintiff desires from the directors and the reasons for the plaintiff's failure to obtain the action; or state the reasons for not making the effort. Additionally, the plaintiff must remain a stockholder through the duration of the derivative suit. The action will not be dismissed or compromised without the approval of the Delaware Court of Chancery.

Other U.K. Law Considerations

Squeeze-out

Under the Companies Act, if a takeover offer (as defined in Section 974 of the Companies Act) is made for the shares of a company and the offeror were to acquire, or unconditionally contract to acquire:

(1) not less than 90% in value of the shares to which the takeover offer relates, or the "Takeover Offer Shares;" and

(2) where those shares are voting shares, not less than 90% of the voting rights attached to the Takeover Offer Shares,

the offeror could acquire compulsorily the remaining 10% within three months of the last day on which its offer can be accepted. It would do so by sending a notice to outstanding shareholders telling them that it will acquire compulsorily their Takeover Offer Shares and then, six weeks later, it would execute a transfer of the outstanding Takeover Offer Shares in its favor and pay the consideration to the company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose Takeover Offer Shares are acquired compulsorily under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

Sell-out

The Companies Act also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer (as defined in Section 974 of the Companies Act). If a takeover offer related to all the shares of a company and, at any time before the end of the period within which the offer could be accepted, the offeror

held or had agreed to acquire not less than 90% of the shares to which the offer relates, any holder of the shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any shareholder notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

Registered Shares

We are required by the Companies Act to keep a register of our shareholders. Under English law, shares are deemed to be issued when the name of the shareholder is entered in our register of members. The register of members therefore is prima facie evidence of the identity of our shareholders, and the shares that they hold. The register of members generally provides limited, or no, information regarding the ultimate beneficial owners of our shares. Our register of members is maintained by our registrar, Link Asset Services Limited.

Holders of our ADSs are not treated as our shareholders and their names are therefore not entered in our share register. The depositary, the custodian or their nominees will be the holder of the Class A ordinary shares underlying our ADSs. Holders of our ADSs have a right to receive the Class A ordinary shares underlying their ADSs.

Under the Companies Act, we must enter an allotment of shares in our register of members as soon as practicable and in any event within two months of the allotment. We also are required by the Companies Act to register a transfer of shares (or give the transferee notice of and reasons for refusal as the transferee may reasonably request) as soon as practicable and in any event within two months of receiving notice of the transfer.

We, any of our shareholders or any other affected person may apply to the court for rectification of the register of members if:

- the name of any person, without sufficient cause, is wrongly entered in or omitted from our register of members; or
- there is a default or unnecessary delay in entering on the register the fact of any person having ceased to be a member or on which we have a lien, provided that such delay does not prevent dealings in the shares taking place on an open and proper basis.

Preemptive Rights

English law generally provides shareholders with statutory preemptive rights when new shares are issued for cash; however, it is possible for the articles of association, or shareholders by way of a special resolution at a general meeting, to disapply preemptive rights. Such a disapplication of preemptive rights may be for a maximum period of up to five years from the date of adoption of the articles of association, if the disapplication is contained in the articles of association, or from the date of the shareholder special resolution, if the disapplication is by shareholder special resolution. In either case, this disapplication would need to be renewed by our shareholders upon its expiration (i.e., at least every five

years). On May 3, 2018, our shareholders approved the disapplication of preemptive rights for a period of five years from the date of approval, which disapplication will need to be renewed upon expiration (i.e., at least every five years) to remain effective, but may be sought more frequently for additional five-year terms (or any shorter period). On May 3, 2018, our shareholders approved the disapplication of preemptive rights for the allotment of Class A ordinary shares and Class B ordinary shares in connection with our initial public offering when adopting our articles of association.

Distributions and Dividends

Under the Companies Act, before a company can lawfully make a distribution or dividend, it must ensure that it has sufficient distributable reserves, as determined on a non-consolidated basis. The basic rule is that a company's profits available for the purpose of making a distribution are its accumulated, realized profits, so far as not previously utilized by distribution or capitalization, less its accumulated, realized losses, so far as not previously written off in a reduction or reorganization of capital duly made. The requirement to have sufficient distributable reserves before a distribution or dividend can be paid applies to us and to each of our subsidiaries that has been incorporated under English law.

As a public company, we are subject to an additional capital maintenance requirement and can only make a distribution:

- if, at the time that the distribution is made, the amount of our net assets (that is, the total excess of assets over liabilities) is not less than the total of our called up share capital and undistributable reserves; and
- if, and to the extent that, the distribution itself, at the time that it is made, does not reduce the amount of our net assets to less than that total.

Limitation on Owning Securities

Our articles of association do not restrict in any way the ownership or voting of our shares by non-residents.

Disclosure of Interest in Shares

Pursuant to Part 22 of the Companies Act, a company is empowered by notice in writing to require any person whom the company knows to be, or has reasonable cause to believe to be, interested in the company's shares or at any time during the three years immediately preceding the date on which the notice is issued to have been so interested, within a reasonable time to disclose to the company details of that person's interest and (so far as is within such person's knowledge) details of any other interest that subsists or subsisted in those shares.

If a shareholder defaults in supplying the company with the required details in relation to the shares in question, or the Default Shares, the shareholder shall not be entitled to vote or exercise any other right conferred by membership in relation to general meetings. Where the Default Shares represent 0.25% or more of the issued shares of the class in question, the directors may direct that:

1. any dividend or other money payable in respect of the Default Shares shall be retained by the company without any liability to pay interest on it when such dividend or other money is finally paid to the shareholder; and/or
2. no transfer by the relevant shareholder of shares (other than a transfer approved in accordance with the provisions of the company's articles of association) may be registered (unless such shareholder is not in default and the transfer does not relate to Default Shares).

Purchase of Own Shares

English law permits a public limited company to purchase its own shares out of the distributable profits of the company or the proceeds of a fresh issue of shares made for the purpose of financing the purchase, subject to complying with procedural requirements under the Companies Act and provided that its articles of association do not prohibit it from doing so. Our articles of association, a summary of which is provided above, do not prohibit us from purchasing our own shares. A public limited company must not purchase its own shares if, as a result of the purchase, there would no longer be any issued shares of the company other than redeemable shares or shares held as treasury shares.

Any such purchase will be either a "market purchase" or "off market purchase," each as defined in the Companies Act. A "market purchase" is a purchase made on a "recognized investment exchange (other than an overseas exchange) as defined in the UK Financial Services and Markets Act 2000, or FSMA. An "off market purchase" is a purchase that is not made on a "recognized investment exchange." Both "market purchases" and "off market purchases" require prior shareholder approval by way of an ordinary resolution. In the case of an "off market purchase," a company's shareholders, other than the shareholders from whom the company is purchasing shares, must approve the terms of the contract to purchase shares and in the case of a "market purchase," the shareholders must approve the maximum number of shares that can be purchased and the maximum and minimum prices to be paid by the company.

The New York Stock Exchange is an "overseas exchange" for the purposes of the Companies Act and does not fall within the definition of a "recognized investment exchange" for the purposes of FSMA and any purchase made by us would need to comply with the procedural requirements under the Companies Act that regulate "off market purchases."

A share buy back by a company of its shares will give rise to U.K. stamp duty reserve tax and stamp duty at the rate of 0.5% of the amount or value of the consideration payable by the company (rounded up to the next £5.00), and such stamp duty reserve tax or duty will be paid by the company. The charge to stamp duty reserve tax will be canceled or, if already paid, repaid (generally with interest), where a transfer instrument for stamp duty purposes has been duly stamped within six years of the charge arising (either by paying the stamp duty or by claiming an appropriate relief) or if the instrument is otherwise exempt from stamp duty.

Our articles of association do not have conditions governing changes to our capital which are more stringent that those required by law.

Shareholder Rights

Certain rights granted under the Companies Act, including the right to requisition a general meeting or require a resolution to be put to shareholders at the annual general meeting, are only available to our members. For English law purposes, our members are the persons who are registered as the owners of the legal title to the shares and whose names are recorded in our register of members. In the case of shares held in a settlement system operated by the Depository Trust Company, or DTC, the registered member will be DTC's nominee, Cede & Co. If a person who holds their ADSs in DTC wishes to exercise certain of the rights granted under the Companies Act, they may be required to first take steps to withdraw their ADSs from the settlement system operated by DTC and become the registered holder of the shares in our register of members. A withdrawal of shares from DTC may have tax implications, for additional information on the potential tax implications of withdrawing your shares from the settlement system operated by DTC, see "Material Tax Considerations-United Kingdom Taxation."

U.K. City Code on Takeovers and Mergers

As a U.K. public company with its place of central management and control inside the United Kingdom, we are subject to the U.K. City Code on Takeovers and Mergers, or the Takeover Code, which is issued and administered by the U.K. Panel on Takeovers and Mergers, or the Takeover Panel. The Takeover Code provides a framework within which takeovers are regulated and conducted. Under Rule 9 of the Takeover Code, when any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares already held by that person and an interest in shares held or acquired by persons acting in concert with him or her) carry 30% or more of the voting rights of a company that is subject to the Takeover Code, that person is generally required to make a mandatory offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights in that company to acquire the balance of their interests in the company.

Our articles of association provide that the three classes of ordinary shares are to be treated as economically identical under an offer.

Any person who, together with persons acting in concert with him or her, is interested in shares representing not less than 30% but does not hold shares carrying more than 50% of the voting rights of a company that is subject to the Takeover Code, and such person, or any person acting in concert with him or her, acquires an additional interest in shares which increases the percentage of shares carrying voting rights in which he or she is interested, then such person is generally required to make a mandatory offer to all the holders of any class of equity share capital or other class of transferable securities carrying voting rights of that company to acquire the balance of their interests in the company. A mandatory offer must be in cash (or with a cash alternative) and at the highest price paid within the preceding 12 months to acquire any interest in shares in the company by the person required to make the offer or any person acting in concert with him or her.

The Takeover Code further provides, among other things, that when any person who, together with persons acting in concert with him or her holds shares representing more than 50% of the voting rights of a company, acquires an interest in shares which carry additional voting rights, then they will not generally be required to make a general offer to the other shareholders to acquire the balance of their shares although individual members of the "Concert Party" (as defined below) will not be able to increase their percentage interest in shares through or between a relevant threshold, without consent of the Takeover Panel.

Persons acting in concert comprise persons who, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. "Control" means an interest, or interests, in shares carrying in aggregate 30% or more of the voting rights of the company, irrespective of whether such interest or interests give de facto control.

Exhibit 4.12
[***] = Certain information contained in this document, marked by brackets, has been omitted because it is both not material and would be competitively harmful if publicly disclosed.

Execution version

SHARE PURCHASE AGREEMENT

COMTRADE GROUP B.V.

COMTRADE SOLUTIONS MANAGEMENT HOLDINŠKA DRUŽBA D.O.O.

(as Sellers)

ENDAVA (UK) LIMITED

(as Purchaser)

relating to the sale and purchase of the entire issued share capital of

Comtrade CDS, digitalne storitve, d.o.o.

and

COMTRADE DIGITAL SERVICES D.O.O.

Akin Gumb Strauss Hauer & Feld

Eighth Floor
Ten Bishops Square
London E1 6EG
Tel: + 44 20 7012 9600
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THIS AGREEMENT is made on the 17 day of August 2020

BETWEEN:

(1) **COMTRADE GROUP B.V.**, a company registered in the Netherlands with company identification number 43630090 and whose registered office is at Prins Bernhardplein 200, 1097 JB Amsterdam, Netherlands ("**Comtrade**");

(2) **COMTRADE SOLUTIONS MANAGEMENT HOLDINŠKA DRUŽBA D.O.O.**, a company registered in Slovenia with company identification number 8566186000 and whose registered office is at Litijska cesta 47, 1000 Ljubljana, ("**Comtrade Management**"); and

(3) **ENDAVA (UK) LIMITED**, a company registered in England and Wales with company number 03919935 and whose registered office is at 125 Old Broad Street, London, EC2N 1AR (the "**Purchaser**"),

each a "**Party**" and together, the "**Parties**".

BACKGROUND:

(A) The Comtrade Group develops advanced software products and systems, and part of this business is focused on the provision of digital software and engineering services. Pursuant to the terms of the Demerger and the Business Transfer, Comtrade transferred, or procured the transfer of, this digital services business to the target Group. Pursuant to, and on the terms set out in this Agreement, the Purchaser wishes to acquire the entire issued share capital of each of the Companies.

(B) CDS Slovenia is a limited liability company incorporated in Slovenia. As at the date of this Agreement, CDS Slovenia has an issued share capital of EUR 300,000 divided into two business shares (poslovna deleža) in the nominal amounts of EUR 297,180 and EUR 2,820. Comtrade and Comtrade Management are the legal and beneficial owners of the CDS Slovenia Shares as are set out against their respective names in Part A of Schedule 1.

(C) CDS Slovenia was established as a successor of Comtrade programske rešitve, d.o.o. ("**CT SLO**") pursuant to a de-merger carried out under Article 624 of the Slovenian Companies Act (the "**Demerger**"). In accordance with, and pursuant to the terms of, the Demerger, certain assets and liabilities of CT SLO that pertained to the Business (including ownership of the CDS Slovenia Subsidiaries) were automatically transferred to CDS Slovenia with effect from 1 June 2020. The "Cut-off Date" of the Demerger is 31 December 2019 and, as such, the actions of CT SLO pertaining to the Business and transferred to CDS Slovenia are treated for accounting purposes as exercised by CDS Slovenia from 31 December 2019.

(D) CDS Serbia is a limited liability company incorporated in Serbia. As at the date of this Agreement, CDS Serbia has an issued share capital of RSD 120,000 (approx. EUR 1,000). Comtrade is the sole legal and beneficial owner of the CDS Serbia Shares.

(E) CDS Serbia was incorporated by Comtrade on 24 February 2020 and the Business Transfer, pursuant to which certain assets related to the Business and the CDS Serbia Employees transferred to CDS Serbia, took place with effect from 1 August 2020.

(F) Furthermore, certain of the Group Companies, CT BL and CT SA (each as defined below), prior to the date of this Agreement, owned certain assets and contracts and certain of their employees performed services, in each case in connection with aspects of Comtrade's business and operations that were not part of the Business. As such, the Carve-out, pursuant to which those certain assets not related to the Business and the Carved-out Employees transferred to the Seller Group, took place with effect from 1 August 2020.

(G) Comtrade has agreed to sell, and the Purchaser has agreed to acquire: (i) the CDS Serbia Shares; and (ii) those shares in CDS Slovenia held by Comtrade as set out against its name in Part A of Schedule 1, in each case on and subject to the terms of this Agreement.

(H) Comtrade Management has agreed to sell, and the Purchaser has agreed to acquire, those shares in CDS Slovenia held by Comtrade Management as set out against its name in Part A of Schedule 1 on and subject to the terms of this Agreement.

(I) Further, it is the intention of the Purchaser and Comtrade that simultaneously with completion of the sale by the Sellers and purchase by the Purchaser of the Sale Shares Comtrade and the Purchaser will enter into the TSA setting out the terms on which (i) Comtrade will provide certain services to the Group, and (ii) the Group will provide certain services to the Seller Group, in each case following Completion.

THE PARTIES AGREE THAT:

1.1 **INTERPRETATION**

1.1 **Definitions**

The following words, expressions and abbreviations apply in this Agreement (including the Background):

"**Accounts**" means in relation to the financial year ended on the Accounts Date, the audited financial statements of Comtrade and the audited consolidated financial statements of Comtrade and its subsidiaries, including, in each case, the balance sheet and income statement and/or profit and loss account together with the notes, any statement of cash flow and the auditors' and directors' reports;

"**Accounts Date**" means 31 December 2019;

"**Action**" means any claim, action, charge, suit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority, court, arbitrator or mediator;

"**Adjustment Date**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Affiliate**" means, in relation to a body corporate, any subsidiary undertaking or parent undertaking of that body corporate, and any subsidiary undertaking of any such parent undertaking for the time being;

"**Agreed Form**" means, in relation to any document (whether electronic or hard-copy), a document in a form agreed between or on behalf of Comtrade and the Purchaser;

"**Agreement**" means this Share Purchase Agreement (as may be amended from time to time in accordance with its terms);

"**Anti-Corruption Laws**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Anti-Money Laundering Laws**" means the U.S. Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, the U.S. Currency and Foreign Transaction Reporting Act of 1970, the U.S. Money Laundering Control Act of 1986, the UK Proceeds of Crime Act 2002, the UK Terrorism Act 2000, any laws of any European Union member state enacted to implement European Union Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, such as the UK The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any related or similar Laws issued, administered or enforced by any Governmental Authority with jurisdiction over the Parties, their subsidiaries, or the CDS Group Companies relating to money laundering and terrorist financing, including financial recordkeeping and reporting requirements, in each case, as amended from time to time;

"**Austrian Employee Side Letter**" means the employee side letter in the Agreed Form to be entered into between Comtrade and Comtrade Austria on the date of this Agreement pursuant to which the parties' respective obligations will be set out with respect to an employee who will remain employed by the Group for a period of time post Completion (in accordance with the terms set out therein), but who will not provide services during such time to the Business;

"**Authorisation**" has the meaning given in paragraph 1.1 of Schedule 4;

"[***]" means [***].

"[***] Contract" means, together, the [***], in each case initially entered into between [***] and CT SLO and as amended from time to time;

"**Banja Luka Employees**" means those employees transferred by CT BL pursuant to the Carve-out, details of whom are attached to the Disclosure Letter;

"**Banja Luka Lease**" has the meaning given in clause 13.16;

"**Banja Luka Longstop Date**" has the meaning given in clause 13.16;

"**Banja Luka Rent Cost**" has the meaning given in clause 13.16;

"**Business**" means the "CDS business" of (a) providing software engineering services or teams to any third party (in any elements of the IT system/product lifecycle processes including ideation, architecture, design, UI/UX, IoT, software build, development, testing, implementation, hosting, operation, support or any other aspect of the software development lifecycle of any IT system or product); and (b) implementing and developing Omni channel digital banking solutions in each case as carried on by the CDS Group at the Completion Date and in the period between 1 January 2018 and the Completion Date but excluding any such services which constitute Permitted Services;

"**Business Assets**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in the City of London, the Netherlands, Serbia and Slovenia;

"**Business Transfer**" has the meaning given in Part A of Schedule 14;

"[***] **Contract**" means the [***];

"**Carve-out**" has the meaning given in Part B of Schedule 14;

"**Carve-out Assets**" has the meaning given in clause 13.7;

"**Carved-out Assets and Commitments**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Carved-out Employees**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Cash**" has the meaning given in paragraph 1.1 of Schedule 6;

"**CDS** [***] **Contract**" means the following contract which forms part of the Business entered into prior to the Effective Time: [***];

"**CDS Balance Sheets**" means the unaudited balance sheet of each Group Company and the unaudited aggregated balance sheet of the Group as at the CDS Balance Sheets Date;

"**CDS Balance Sheets Date**" means 30 June 2020;

"**CDS Brand Names**" has the meaning given in clause 13.4(b);

"**CDS Germany**" means Comtrade Software Solutions GmbH, a company registered in Germany with company identification number HRB 185946, brief details of which are set out in Part B of Schedule 2;

"**CDS Group**" means, together, CDS Serbia, CDS Slovenia, the CDS Slovenia Subsidiaries, CT SLO and CT SE, and "CDS Group Company" means a company within the CDS Group;

"**CDS Guarantees**" means the guarantees listed in Part A of Schedule 11;

"**CDS Ireland**" means Comtrade Digital Services Limited, a company registered in Ireland with company identification number 346571, brief details of which are set out in Part B of Schedule 2;

"**CDS Serbia**" means Comtrade Digital Services d.o.o., a company registered in Serbia with company identification number 21559784, brief details of which are set out in Part B of Schedule 2;

"**CDS Serbia Employees**" means those Employees transferred to CDS Serbia pursuant to the Business Transfer, details of whom are attached to the Disclosure Letter;

"**CDS Serbia Shares**" means the entire issued share capital of CDS Serbia, details of which are set out in Part B of Schedule 1;

"**CDS SLO Employees**" means those Key Managers and one (1) Employee transferred to CDS Slovenia by CT SLO and Spinnaker Distribucija d.o.o. Zagreb pursuant to the Business Transfer, details of whom are attached to the Disclosure Letter;

"**CDS Slovenia**" means Comtrade CDS, digitalne storitve, d.o.o., a company registered in Slovenia with company identification number (matièna številka) 8646392000, brief details of which are set out in Part A of Schedule 2;

"**CDS Slovenia Shares**" means the entire issued share capital of CDS Slovenia, details of which are set out in Part A of Schedule 1;

"**CDS Slovenia Subsidiaries**" means, collectively, the subsidiary undertakings of CDS Slovenia, brief details of each subsidiary are set out in Part C of Schedule 2;

"**CDS Trademarks**" means the trademarks to "*Voyego*" and "*Beezify*" previously held by CT SLO and transferred to CDS Slovenia;

"**CDS USA**" means Comtrade USA West Inc., a company registered in California, USA with company identification number 2111690, brief details of which are set out in Part B of Schedule 2;

"**Commercial Information**" means all information (including Know How, but not limited to matters which are confidential) which is used as at the Completion Date or which has been used in the period between 1 January 2018 and the date of this Agreement principally for the purpose of carrying on the Business (or any aspect of it) and, for the avoidance of doubt, the Commercial Information shall not include any such information to the extent that it relates principally to any Permitted Services;

"**Companies**" means, together, CDS Serbia and CDS Slovenia, and "Company" means either of CDS Serbia or CDS Slovenia, as the context shall require;

"**Company Assets**" has the meaning given in clause 13.6;

"**Completion**" means completion of the sale and purchase of the Sale Shares in accordance with clause 5;

"**Completion Accounts**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Completion Accounts Pack**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Completion Date**" means the date upon which Completion takes place;

"**Completion Leases**" means the leases and sub-leases entered into prior to the date of this Agreement with an effective date of 1 August 2020, the terms of which have been approved by the Purchaser, in respect of the premises in (i) Maribor, Slovenia, (ii) Belgrade, Serbia, (iii) Ljubljana, Slovenia and (iv) Sarajevo, Bosnia and Herzegovina, the details of which are set out in Part B of Schedule 8;

"**Completion Net Cash Amount**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Completion Net Cash Statement**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Completion Statements**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Completion Working Capital Amount**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Completion Working Capital Statement**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Comtrade Austria**" means Comtrade GMBH, with its registered office address at Millennium Tower, 23rd floor, Handelskai 94-96, 1200 Vienna, Austria and with company number FN 257665 w;

"**Comtrade Contracts**" means contracts which form part of the Comtrade System Integration business (and not the Business) entered into prior to the Effective Time between CT SA or another Group Company with (i) [***], (ii) [***], (iii) [***], (iv) [***], (v) [***] and (vi) [***];

"**Comtrade Group**" means Comtrade, Comtrade Management and each of their Affiliates, and a "Comtrade Group Company" means a company within the Comtrade Group;

"**Comtrade Guarantees**" means the guarantees listed in Part B of Schedule 11;

"**Comtrade Non-transfer Issue**" has the meaning given in clause 13.21;

"**Comtrade Notified Issue**" has the meaning given in clause 13.21;

"**Comtrade Representative**" means Comtrade or any substitute appointed pursuant to clause 24;

"**Comtrade's Account**" means the EUR bank account in the name of Comtrade with [***];

"**Comtrade's Solicitors**" means Watson Farley & Williams LLP of 15 Appold Street, London EC2A 2HB;

"**Connected Person**" means a person connected (within the meaning of s. 252 of the Companies Act 2006);

"**Consideration**" has the meaning given in clause 3.1;

"**Counsel**" means an English law qualified barrister of not less than ten (10) years standing, having experience in claims similar to a relevant Outstanding Claim, as agreed and appointed by the Purchaser and Comtrade, or failing such agreement within ten (10) Business Days after written request by either such Party, as appointed by the President for the time being of the Law Society for England and Wales on the application of either such Party;

"**CT BL**" means Comtrade d.o.o. Banja Luka, with its registered address at I Krajiškog korpusa no. 39, 78000 Banja Luka, Bosnia and Herzegovina and Corporate ID no.: 1-15732-00;

"**CT SA**" means Comtrade d.o.o. Sarajevo, with its registered seat at the address at Džemala Bijediæa no. 179, Sarajevo - Novi Grad, 71000 Sarajevo, Bosnia and Herzegovina and Corporate ID no.: 65-01-1252-09;

"**CT SE**" means Comtrade Solutions Engineering d.o.o., a limited liability company registered in the Republic of Serbia with company identification number 20904984, with its registered address at Savski Nasip 7, 11070 Belgrade, Serbia;

"**CT SLO**" means Comtrade programske rešitve d.o.o., a limited liability company registered in Slovenia with company identification number (matièna številka) 3281841000, with its registered address at Letališka cesta 29B, 1000 Ljubljana, Slovenia;

"**Current Assets**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Current Liabilities**" has the meaning given in paragraph 1.1 of Schedule 6;

"**DAC6**" means (i) the Council Directive of 25 May 2018 (2018/822/EU) amending Directive 2011/16/EU, and (ii) any legislation, regulations or published practice implementing the directive described in (i), or any similar reporting obligations, in the United Kingdom or elsewhere;

"**Data Protection Laws**" means all applicable Laws and regulations relating to data protection and privacy including, where applicable, the guidance and codes of practice issued by regulatory bodies, from time to time, including:

(a) GDPR and all related national laws and regulations, including the Data Protection Act 2018;

(b) the Data Protection Act 1998, the German Federal Data Protection Act (Bundesdatenschutzgesetz - BDSG), Data Protection Law (Zakon o zaštiti podataka o lièenosti) ("Official Gazette of RS", No. 87/2018), Law on personal data protection (Zakon o zaštiti lièenih podataka) (Official Gazette of BH, no. 49/2006, 76/2011 and 89/2011), Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation); and Data Protection Law (Zakon o varstvu osebnih podatkov) ("Official Gazette of RS", No. 86/04 et seq.) the Data Protection Act (BGBl. I No. 165/1999), "Datenschutzgesetz", and all other related national laws and regulations implementing European Directive 95/46/EC; and

(c) the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all other related national laws and regulations implementing European Directive 2002/58/EC;

"**Data Room**" means (i) the on-line data room virtually held by iDeals and entitled "Project Crystal" and the documents therein (the "**PC Data Room**") and (ii) the on-line data room virtually held by iDeals and entitled "Crystal Confidential" and the documents therein (the "**CC Data Room**"), details of which (in each case) are set out in the Data Room Index (a download of such documents

will, for evidential reasons, be delivered to the Purchaser and the Purchaser's Solicitors on three separate USB sticks in accordance with this Agreement);

"**Data Room Index**" means the index of "Project Crystal" data room documents and the index of "Crystal Confidential" data room documents appended to the Disclosure Letter;

"**Data Sharing Agreement**" means the agreement in the Agreed Form to be entered into between Comtrade and the Purchaser at Completion and pursuant to which Comtrade and the Purchaser will share certain personal data during the term of the TSA;

"**Debt**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Deed of Waiver**" means that deed of waiver in the Agreed Form pursuant to which CDS Slovenia waives any relevant pre-emption right it may hold over the shares in CDS Slovenia, to be signed by CDS Slovenia and delivered at Completion;

"**Demerger**" has the meaning given in Background (C);

"**Demerger Companies**" means the companies that participated in the Demerger, being CT SLO, RE NewCo and CDS Slovenia;

"**Demerger Plan**" means the demerger plan (delitveni naèrt) of Comtrade dated 4 March 2020 as prepared and submitted to the Slovenian commercial/court register;

"**Demerger Registration Date**" means 1 June 2020, being the date on which the Demerger was registered in the Slovenian commercial/court register;

"**Disclosed**" means fairly disclosed by the Disclosure Documents and for this purpose "fairly disclosed" means with sufficient detail as to enable a reasonable purchaser to identify and make a reasonably informed assessment of the nature and scope of the matter disclosed, and "Disclosure" will be construed accordingly;

"**Disclosure Documents**" means the Disclosure Letter and the information and documents contained in the Data Room as at 11:13 (London time) on 6 August 2020;

"**Disclosure Letter**" means the disclosure letter dated the same date as this Agreement from Comtrade to the Purchaser, together with all documents annexed to it;

"**Due Amount**" has the meaning given in clause 4.5(a);

"**Effective Date**" means 1 August 2020;

"**Effective Time**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Employee**" means any person employed by a Comtrade Group Company under a contract of employment in connection with the Business and "**Employees**" will be construed accordingly;

"**Encumbrance**" means any interest or equity of any person (including any right to acquire, option or right of pre-emption or conversion); any mortgage, charge, pledge, lien, assignment, hypothecation, security interest (including any created by law), title retention or other security agreement or arrangement; and any rental, hire purchase, credit or conditional sale or other agreement for payment on deferred terms; or any agreement to create any of the above;

"**Environment**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Environmental Law**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Environmental Liability**" has the meaning given in paragraph 1.1 of Schedule 4;

"**ESP BH**" means ESP BH d.o.o., with its registered seat at the address Branilaca Sarajeva no. 20, Sarajevo - Centar, 71000 Sarajevo, corporate ID no. 65-01-0518-19;

"**Estimated Net Cash Amount**" means the amount of EUR [***] (*[***]*);

"**Estimated Working Capital Amount**" means the amount of EUR [***] (*[***]*);

"**Estimated Liability**" has the meaning given in clause 4.4(c);

"**Expert**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Export Control Laws**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Fundamental Warranties**" means the warranties in paragraphs 2.1, 2.2 (*Title and Capacity*), 3.1, 3.9, 3.10 (*The Group*), 4.1, 4.2, 4.3, 4.6, 4.8 and 4.11 (*Share Capital*) of Part A of Schedule 4;

"**GDPR**" means the General Data Protection Regulation (EU) 2016/679;

"**German Resignation Letter**" has the meaning given to it in paragraph 1.9(c) of Schedule 3;

"**Goal Sheets**" has the meaning given in clause 13.8(b);

"**Government Official**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Governmental Authority**" means: (i) any national, federal, state, county, municipal, local or foreign government or any entity exercising executive, legislative, judicial, regulatory, taxing or administrative functions of, or pertaining to, government; (ii) any public international organization; (iii) any agency, division, bureau, department, or other political subdivision of any government entity or organization described in the foregoing (i) or (ii) of this definition; (iv) any company, business, enterprise or other entity owned, in whole or in part, or controlled by any governmental entity, organization or other person described in the foregoing (i), (ii) or (iii) of this definition and which in the case of each of (i), (ii), (iii) and (iv) exercises governmental, judicial or regulatory authority under any applicable Laws;

"**Group**" means collectively, the Companies and the CDS Slovenia Subsidiaries, and includes any successor entity of any such Group Company and "**Group Company**" means a company within the Group;

"**Group Reorganisation**" means the group reorganisation undertaken by the Comtrade Group prior to the date of this Agreement and comprised of the Demerger, the Business Transfer and the Carve-out pursuant to which the Business (other than those Company Assets that Comtrade is holding on trust for the Group and to be transferred to the Group pursuant to clause 13.6, clause 13.10(b) and clause 13.10(c)) was transferred to the Group;

"**Group Reorganisation Company**" has the meaning given in paragraph 23.1 in Part A of Schedule 4;

"**Group Representatives**" has the meaning given in clause 10.4;

"**Hazardous Matter**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Health and Safety Laws**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Initial Cash Consideration**" has the meaning given in clause 3.2;

"**Intellectual Property Rights**" means patents, rights to inventions, copyright and related rights, moral rights, trade marks, service marks and trade names, domain names, rights in get-up, rights to goodwill or to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights in confidential information (including Know How) and any other intellectual property rights , in each case whether registered or unregistered, and including all applications (or rights to apply) for, and renewals or extensions of, such rights;

"**Intermediary**" has the meaning given to it in DAC6;

"**Intra-Group Agreements**" has the meaning given in paragraph 1.1 of Schedule 4;

"**IT Contracts**" has the meaning given in paragraph 1.1 of Schedule 4;

"**IT Systems**" has the meaning given in paragraph 1.1 of Schedule 4;

"**JV Mobility**" means JV Mobility, storitve na podroèju mobilnosti, d.o.o., a limited liability company established under Slovenian law, with registered seat in Ljubljana, Slovenia, and business address at Letališka cesta 29B, 1000 Ljubljana, Slovenia, registered with the Slovenian court / commercial register under no. 8624186000;

"**Key Managers**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Key Transaction Documents**" has the meaning given in clause 4.2;

"**Know How**" means all inventions, improvements, modifications, processes, formulae, models, prototypes and sketches, drawings, plans or specifications or any other matters made, devised, developed or discovered by or otherwise belonging to any CDS Group Company and principally relating to the Business;

"**Law**" or "**Laws**" includes all applicable legislation, statutes, directives, regulations, judgments, decisions, decrees, orders, instruments, by-laws, and other legislative measures or decisions which in each case have the force of law, treaties, conventions and other agreements between states, or between states and the European Union or other supranational bodies, rules of common law, customary law and equity and all civil or other codes and all other laws of, or having effect in, any jurisdiction from time to time and whether before, on or after the date of this Agreement and which in each case either has the force of law or compliance with which is reasonable in the ordinary course of business of the company concerned;

"**Lease**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Lease Longstop Date**" has the meaning given in clause 13.15;

"**Losses**" means, in respect of any matter, event or circumstance, all damages, losses, claims, costs, penalties, fines, expenses, reasonable and properly incurred legal or professional fees and disbursements, or other liabilities of any nature but shall not include any indirect or consequential losses (save where "Losses" is used in this Agreement in connection with an indemnity (including with respect to an Indemnity Claim). For the avoidance of doubt, where the definition of "Loss" is used in this Agreement in connection with an indemnity (including with respect to an Indemnity Claim), such definition shall be deemed to include loss of profit and any indirect or consequential loss, to the extent in each case that this is relevant;

"**Management Accounts**" means (i) the unaudited profit and loss accounts of the Business for the six (6) month period ended 30 June 2020, a copy of which is included in the PC Data Room at document 4.1.7.14, (ii) the unaudited profit and loss accounts of the Business for the 12 month period ended 31 December 2019, a copy of which is included in the PC Data Room at document 4.1.7.2 and (iii) the unaudited profit and loss accounts of the Business for the 12 month period ended 31 December 2018, a copy of which is included in the PC Data Room at document 4.1.7.1;

"**Material Contracts**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Net Amount**" has the meaning given in clause 15;

"**New Leases**" has the meaning given in clause 13.13;

"**New Opportunity**" has the meaning given in clause 7.6;

"[***]" means [***];

"[***] Contract" means, collectively, the [***] and any statement of work or sub-agreement governed by this agreement, in each case initially entered into between CT SLO and [***] and as amended from time to time;

"**Outstanding Claim**" has the meaning given in clause 4.4(a);

"**Outstanding Claim Notice**" has the meaning given in clause 4.4;

"**Overdue Account**" has the meaning given in paragraph 5.2(o)(i) of Schedule 6;

"**Performance Guarantee Liabilities**" means, together, all obligations and liabilities arising under or in connection with the agreement on guarantee line reg. no. [***] (as amended, supplemented and/or restated from time to time) but excluding obligations arising under the Transferred Performance Guarantees;

"**Permanent Brand Names**" has the meaning given in clause 13.4(a);

"**Permits**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Permitted Services**" means:

(a) any of the following specific business activities of any Seller Group Company existing as at the date of this Agreement and that are related to software engineering and software developments:

(1) Comtrade's gaming business: selling online gaming software and solutions to vendors (companies producing slot machines and games, online games), operators (casinos, betting shops, online/social gaming, lotteries), and gaming regulators world-wide;

(2) Hycu: engaging in on-premise, hybrid, and cloud data management related products and services including but not limited to data backup, data management, data monitoring, and backup and recovery services world-wide; and

(3) Comtrade's System Integration: building turn key software and hardware solutions within the Adriatic region; and

(b) any other services or activities that do not constitute Restricted Services;

"**Personal Data**" has the meaning given in Article 4(1) GDPR;

"**Policies**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Pre-Completion Officers**" has the meaning given in clause 13.9;

"**Proceedings**" has the meaning given in clause 30.2;

"**Project Crystal Liabilities**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Properties**" means the properties leased by the Group, brief particulars of which are set out in Schedule 8 and, where the context so admits, "**Property**" means any one or more or any part of such properties;

"**Purchaser Bank Guarantee**" means the guarantee from the Purchaser Bank Guarantor in the Agreed Form to be delivered in accordance with Schedule 3;

"**Purchaser Bank Guarantor**" means HSBC UK Bank plc, GTRF Services, Level 28, 8 Canada Square, London E14 5HQ;

"**Purchaser Guarantee**" means the deed of guarantee in the Agreed Form to be entered into between the Purchaser Guarantor and Comtrade at Completion;

"**Purchaser Guarantor**" means Endava plc, a company registered in England and Wales with company number 05722669 whose registered office is at 125 Old Broad Street, London, EC2N 1AR;

"**Purchaser Non-transfer Issue**" has the meaning given in clause 13.18;

"**Purchaser Notified Issue**" has the meaning given in clause 13.18;

"**Purchaser Statement**" has the meaning given in clause 16.1;

"**Purchaser's Group**" means the Purchaser and its Affiliates and a "**Purchaser Group Company**" means a company within the Purchaser's Group;

"**Purchaser's Solicitors**" means Akin Gump LLP of 10 Bishops Square, London E1 6EG and Moravèeviæ Vojnoviæ and partners in cooperation with Schönherr Rechtsanwälte GmbH, Vienna, of Bulevar vojvode Bojoviæa 6-8, 11000 Belgrade and Schönherr Attorneys-at-Law- branch Slovenia of Tomšièeva 3, Ljubljana;

"**RE Newco**" means Comtrade nepremičnine, upravljanje nepremičnin, d.o.o., a limited liability company registered in Slovenia with company identification number (matična številka) 8646406000, with its registered address at Litijska cesta 47, 1000 Ljubljana, Slovenia;

"**Recognised Investment Exchange**" has the meaning given in s. 285 of the Financial Services and Markets Act 2000;

"**Reduced Retention Amount**" has the meaning given in clause 4.2;

"**Regulatory Requirement**" means any applicable requirement of Law, the Financial Conduct Authority, The London Stock Exchange plc, The New York Stock Exchange or any other securities exchange upon which the shares of any Party or such Party's Affiliates are listed or which a Party (or its Affiliates) are otherwise required to comply with, the Panel on Takeovers and Mergers or of any person who has regulatory authority;

"**Relevant Accounting Standards**" means IFRS (International Financial Reporting Standards);

"**Relief**" means any relief, allowance or credit in respect of Tax, any right to repayment of Tax, any payment receivable in consideration for group relief or any deduction, exemption or set-off relevant in computing income, profits or gains for the purposes of Tax pursuant to any legislation or otherwise;

"**Rent Costs**" has the meaning given in clause 13.15;

"**Representatives**" means, with respect to any person, any and all directors, managers, officers, employees or agents acting on behalf of such persons;

"**Resolution Period**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Resolved**" has the meaning given in clause 4.3;

"**Restricted Services**" means:

(a) the provision of software engineering services or teams to any third party (in any elements of the IT system/product lifecycle processes including ideation, architecture, design, UI/UX, IoT, software build, development, testing, implementation, hosting, operation, support or any other aspect of the software development lifecycle of any IT system or product); and

(b) implementing and developing Omni channel digital banking solutions;

"**Retention Consideration**" has the meaning given in, and calculated in accordance with, clause 4.1;

"**Retention Date**" has the meaning given in clause 4.1;

"**Review Period**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Run off Policy**" has the meaning given in clause 13.12;

"**Sale Shares**" means, together, the CDS Serbia Shares and CDS Slovenia Shares;

"**Sanctions**" means any economic sanctions Laws, regulations, embargoes or restrictive measures, as amended from time to time, administered, enacted or enforced by:

(a) the United States;

(b) the United Nations;

(c) the European Union or any member state thereof;

(d) the United Kingdom;

(e) any other Governmental Authority under whose jurisdiction the Parties or their subsidiaries (including the CDS Group Companies) operate; or

(f) the respective governmental institutions and agencies of any of the foregoing responsible for administering, enacting or enforcing Sanctions, including the Office of Foreign Assets Control of the US Department of Treasury ("OFAC"), the United State Department of State and the UK Office of Financial Sanctions Implementation ("Sanctions Authority");

"**Sanctions List**" means:

(a) the Consolidated United Nations Security Council Sanctions List;

(b) the "Specifically Designated Nationals and Blocked Persons" list maintained by OFAC;

(c) the Sectoral Sanctions Identification List maintained by OFAC;

(d) the Consolidated List of Persons, Groups and Entities subject to EU Financial Sanctions;

(e) the Consolidated List of Financial Sanctions Targets maintained by the UK Treasury;

(f) individuals or entities that are listed under the EU sectoral sanctions against Russia (as detailed in Annexes III, V or VI to EU Council Regulation 833/2014); and

(g) any similar list maintained by, or public announcement of Sanctions made by, any other Governmental Authority or Sanctions Authority;

"**Sanctions Target**" means any person that is:

(a) listed on any Sanctions List or owned or controlled by such a person, to the extent that such ownership or control results in such person being subject to the same restrictions as if such person were included in the corresponding Sanctions List or results in dealings with such person being deemed to be for the benefit of a person included in the corresponding Sanctions List;

(b) an entity operating in or resident in or incorporated under the laws of any country or territory that is the target of "comprehensive" Sanctions imposed by the United States, which for the purposes of this Agreement, as at the date of signature of this Agreement by the last of its signatories are Iran, Syria, Cuba, the Crimea Region, and North Korea;

(c) otherwise the target of Sanctions,

in each case, only to the extent that the Parties would be prohibited or restricted by Sanctions from transacting or dealing with (including being a party) or otherwise exercising any rights in respect of, or fulfilling any duties or obligations owed to, such a person, taking into account applicable blocking regulations;

"**Sarajevo Employees**" means those employees transferred by CT SA pursuant to the Carve-out, details of whom are attached to the Disclosure Letter;

"**Serbian Notary Public**" means a notary public certified and operating as such in Republic of Serbia selected by the Purchaser and Comtrade;

"**Serbian Transfer Deed**" has the meaning given in paragraph 1.2 of Schedule 3;

"**Seller**" means either of Comtrade or Comtrade Management as the context shall require, and "Sellers" means both Comtrade and Comtrade Management together;

"**Seller Group**" means Comtrade, Comtrade Management and each of their Affiliates, but excluding the Group Companies, and a "**Seller Group Company**" means a company within the Seller Group;

"**Slovenian Companies Act**" means the Companies Act (Zakon o gospodarskih družbah), Official Gazette of the Republic of Slovenia, No. 65/09 et seq.;

"**Slovenian Employment Act**" means mean the Employment Act (Zakon o delovnih razmerjih), Official Gazette of the Republic of Slovenia, No. 21/13 et seq.;

"**Slovenian Notary Public**" means a notary public certified and operating as such in Republic of Slovenia as selected by the Purchaser and Comtrade;

"**Slovenian Transfer Deed**" has the meaning given in paragraph 1.1 of Schedule 3;

"**Specific Indemnity**" means matters specified in Schedule 5 in respect of which Comtrade has agreed to indemnify the Purchaser pursuant to and in accordance with clause 11, and "**Specific Indemnities**" will be construed accordingly;

"**Specific Policies**" has the meaning given in paragraph 1.1 of Schedule 6;

"**Statement Date**" has the meaning given in paragraph 1.1 of Schedule 4;

"**Target Working Capital**" has the meaning in paragraph 1.1 of Schedule 6;

"**Tax**" or "**Taxation**" has the meaning given in the Tax Deed;

"**Tax Deed**" means the deed in Agreed Form relating to taxation, to be executed and delivered at Completion by Comtrade and the Purchaser;

"**Tax Warranties**" means the warranties set out in the Tax Deed;

"**Termination Agreement**" means the termination agreement dated 16 August 2020 with effect from 1 August 2020 in the form approved by the Purchaser made between [***] and CDS Slovenia in relation to the [***];

"**Transaction**" means the transaction contemplated by this Agreement, the TSA and other Transaction Documents, or any part of that transaction;

"**Transaction Documents**" means this Agreement, the Tax Deed, the TSA, the Data Sharing Agreement, the Serbian Transfer Deed, the Slovenian Transfer Deed, the Disclosure Letter, the Purchaser Guarantee, the Purchaser Bank Guarantee, the Austrian Employee Side Letter, the Deed of Waiver and any other documents in Agreed Form;

"**Transferred Performance Guarantees**" has the meaning given in Part C of Schedule 11;

"**TSA**" means the transitional services agreement in the Agreed Form to be entered into between the Purchaser and Comtrade on (or around) the date of this Agreement pursuant to which (i) Comtrade agrees to procure that the Comtrade Group will provide certain services to the Group Companies in connection with the carrying on of the Business, and (ii) the Purchaser agrees to procure that the Group will provide certain services to the Comtrade Group, in each case in accordance with the terms set out therein;

"**Warranties**" means the warranties set out in Schedule 4 (including the Fundamental Warranties) but shall not include any of the Tax Warranties; and

"**Worker**" means any person who personally performs work for any Comtrade Group Company in connection with the Business (including freelancers) but who is not in business on their own account or in a client/customer relationship.

1.2 **Construction of Certain References**

In this Agreement, where the context admits:

(a) every reference to a statutory provision or other Law shall be construed as a reference to all other Laws made under the Law referred to and to all such Laws as amended, re-enacted, consolidated or replaced or as their application or interpretation is affected by other Laws from time to time and whether before on or after the date of this Agreement;

(b) where any statement is to the effect that Comtrade is not aware of any matter or circumstance, or is a statement qualified by the expression "so far as Comtrade is aware" or "to the best of Comtrade's knowledge and belief" or any similar expression, Comtrade will be deemed to have knowledge of anything it actually knows, and the knowledge of Comtrade will be deemed to include the actual knowledge of any director of Comtrade and each of [***], [***], [***], [***], [***], [***], as well as anything that any director of Comtrade or such other person named in this clause 1.2(b) should reasonably know;

(c) references to clauses, paragraphs and Schedules are references to clauses and paragraphs of and Schedules to this Agreement; references to paragraphs are, unless otherwise stated, references to paragraphs of the Schedule in which the reference appears; references (if any) to exhibits are to documents in Agreed Form identified as such and references to this Agreement include the Schedules and exhibits (if any);

(d) "**person**" includes any individual, partnership, body corporate, corporation sole or aggregate, government, state or agency of a state, and any unincorporated association or organisation, in each case whether or not having separate legal personality;

(e) "**company**" includes any body corporate wherever incorporated;

(f) references to "**indemnify**" and "**indemnifying**" any person against any liability or circumstance include indemnifying him and keeping him harmless on a continuing basis from all actions, claims, demands and proceedings from time to time made against that person and all Losses made, suffered or incurred by that person as a consequence of or which would not have arisen but for that liability or circumstance;

(g) references to any English Law or English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include that which most nearly approximates to the English legal term in that jurisdiction;

(h) words introduced by the word "**other**" shall not be given a restrictive meaning because they are preceded by words referring to a particular class of acts, matters or things;

(i) general words shall not be given a restrictive meaning because they are followed by words which are particular examples of the acts, matters or things covered by the general words and the word "including" shall be construed without limitation;

(j) unless the context otherwise requires, words in the singular include the plural and the plural include the singular and reference to one gender includes all genders;

(k) any reference to "**writing**" or "**written**" includes any method of reproducing words or text in legible, permanent and tangible form and includes email unless expressly provided otherwise in this Agreement;

(l) any reference to euro, EUR or € is to the lawful currency of the member states of the European Union that have adopted and retained a common single currency through monetary union in accordance with European Union treaty Law, as amended from time to time, as at the date of this Agreement;

(m) any reference to SER or Serbian dinar is to the lawful currency of Serbia as at the date of this Agreement; and

(n) a reference to a holding company or a subsidiary means a holding company or a subsidiary as defined in s. 1159 of the Companies Act 2006 and, for the purposes of the membership requirement in ss. 1159(1)(b) and (c) of the Companies Act 2006, a company will be treated as a member of another company even if its shares in that other company are registered in the name of: (i) its nominee; or (ii) another person or such person's nominee by way of security or in connection with the taking of security.

1.3 Any headings or sub-headings in this Agreement are inserted for convenience only and shall not affect the construction of this Agreement.

1.4 Each of the Schedules shall have effect as if set out in full in this Agreement.

2. **SALE OF SHARES**

3.1 At Completion and subject to the terms of this Agreement:

(a) Comtrade shall sell, and the Purchaser shall purchase, with full title guarantee and free from all Encumbrances and together with the benefit of all rights (including as to all dividends and distributions declared, made or paid on or after the Completion Date) that attach to such Sale Shares on or after the Completion Date, the entire legal and beneficial interest in:

(1) those shares in CDS Slovenia set out opposite Comtrade's name in the second column of Part A of Schedule 1; and

(2) the CDS Serbia Shares; and

(b) Comtrade Management shall sell, and the Purchaser shall purchase, with full title guarantee and free from all Encumbrances and together with the benefits of all rights (including as to all dividends and distributions declared, made or paid on or after the Completion Date) that attach to such Sale Shares on or after the Completion Date,

the entire legal and beneficial interest in those shares in CDS Slovenia set out opposite Comtrade Management's name in the second column of Part A of Schedule 1.

3.2 The Purchaser shall not be obliged to complete the sale and purchase of any of the Sale Shares unless the sale and purchase of all the Sale Shares is completed simultaneously.

3.3 Each Seller hereby waives any pre-emption rights it may have in respect of the Sale Shares that it is selling to the Purchaser pursuant to the terms of this Agreement, whether conferred by Law, the relevant Company's articles of association (or equivalent constitutional documents) or otherwise.

3.4 Each Seller covenants with the Purchaser that as at the Completion Date CDS Slovenia is the sole legal and beneficial owner of all the issued and allotted shares in the capital of each CDS Slovenia Subsidiary, free from all Encumbrances, and that CDS Slovenia has the benefit of all rights that attach to the shares in the capital of each CDS Slovenia Subsidiary.

3. CONSIDERATION

3.1 The "**Consideration**" for the Sale Shares shall be comprised of:

(a) the Initial Cash Consideration, which shall be paid by the Purchaser to Comtrade in cash on the Completion Date in accordance with clause 5.2(b); and

(b) the Retention Consideration, which shall be paid by the Purchaser to Comtrade in accordance with clause 4,

to which shall be added or subtracted any amount payable to Comtrade, or to the Purchaser respectively, in accordance with clause 6.

3.2 The "**Initial Cash Consideration**" shall be comprised of:

(a) the sum of EUR 60,000,000.00 (*sixty million*);

(b) **less** the Retention Consideration;

(c) **plus** an amount equal to the Estimated Net Cash Amount;

(d) **plus** the amount by which the Estimated Working Capital Amount exceeds the Target Working Capital, **or minus** the amount by which the Estimated Working Capital Amount is less than the Target Working Capital.

3.3 The Consideration shall be reduced, so far as possible, by the amount of any payment made to the Purchaser for each and any:

(a) claim in respect of the Warranties;

(b) claim in respect of the Tax Warranties;

(c) claim under the Tax Deed; and

(d) claim under any Specific Indemnity.

4. RETENTION CONSIDERATION

4.1 Subject to the remainder of this clause 4, on the date falling twenty-four (24) months after the Completion Date (the "**Retention Date**"), the Purchaser shall pay to Comtrade the sum of EUR 6,000,000.00 (*six million*) (the "**Retention Consideration**") by way of electronic transfer in accordance with clause 4.8

4.2 If, prior to the Retention Date, the Purchaser has a claim against Comtrade under or in respect of a breach of this Agreement, the Tax Deed, the Austrian Employee Side Letter, the Serbian Transfer Deed, the Slovenian Transfer Deed or the Deed of Waiver (together, the "**Key Transaction Documents**") by Comtrade, which has been Resolved, the Purchaser shall on the Retention Date, pay the Retention Consideration less an amount equal to the amount which has been Resolved as being due from Comtrade to the Purchaser and which has not otherwise been paid by Comtrade to the Purchaser (the "**Reduced Retention Amount**"). The Purchaser shall pay the Reduced Retention Amount to Comtrade by way of electronic transfer on the Retention Date in accordance with clause 4.8.

4.3 A claim shall be deemed to be "**Resolved**" for the purposes of this clause 4 if it has been:

(a) agreed in writing between the Purchaser and Comtrade as to both liability and quantum; or

(b) determined (as to both liability and quantum) by Counsel under this clause 4 or by an Expert under Schedule 6; or

(c) finally determined (as to both liability and quantum) by a court or tribunal of competent jurisdiction from which there is no right of appeal, or from whose judgment the relevant party is debarred by passage of time or otherwise from making an appeal.

4.4 If, prior to the Retention Date, the Purchaser acting reasonably believes that it has a claim in respect of a breach of any Key Transaction Document by Comtrade and it has served notice of such claim on Comtrade in accordance with the terms of the relevant agreement, in each case to the extent that the relevant agreement contains relevant notice provisions, (in respect of a Claim, the relevant notice provisions are set out at paragraph 3 of Schedule 7), then the Purchaser shall serve notice ("**Outstanding Claim Notice**") on Comtrade:

(a) stating that in its opinion acting reasonably, it has such a claim against Comtrade (and this has not been Resolved) (an "**Outstanding Claim**");

(b) identifying the matters that gave rise to such Outstanding Claim, in such reasonable detail as is available to the Purchaser; and

(c) setting out its estimate of the amount due to it (the "**Estimated Liability**") in order to satisfy the Outstanding Claim.

4.5 Following service of an Outstanding Claim Notice:

(a) the Retention Date will, subject to clause 4.5(c), be deemed postponed until such time as the Outstanding Claim and amount due to the Purchaser pursuant to such claim (the "**Due Amount**") is Resolved or the Outstanding Claim is withdrawn by the Purchaser;

(b) the obligation on the Purchaser to make payment to Comtrade pursuant to clause 4.1 on the Retention Date shall not apply in respect of an amount equal to the Estimated Liability, unless and until the Due Amount is Resolved or the Outstanding Claim is withdrawn, and then only in the case where following this resolution, there is an amount still payable by the Purchaser pursuant to, and in accordance with, clause 4.7; and

(c) if and to the extent that the Retention Consideration exceeds the aggregate of the Estimated Liability of all Outstanding Claims, the Purchaser shall on the Retention Date (not postponed), pay an amount equal to the Retention Consideration less an amount equal to the aggregate of the Estimated Liability of all Outstanding Claims (the "**Remaining Retention Amount**") to Comtrade by way of electronic transfer in accordance with clause 4.8

4.6 Following service of an Outstanding Claim Notice, the Purchaser and Comtrade shall use all reasonable endeavours to agree the amount due to the Purchaser in respect of the Outstanding Claim as soon as possible, and in any event within the period of fifteen (15) Business Days (or such longer period as may be agreed in writing by both the Purchaser and Comtrade) following service of the Outstanding Claim Notice. In the absence of such agreement, either the Purchaser or Comtrade shall be permitted to serve a notice on the other Party stating that in its opinion a deadlock has occurred with respect to the agreement of the Outstanding Claim and Due Amount, in which case, the following procedure shall apply:

(a) the determination of the Outstanding Claim and Due Amount shall be referred to Counsel by Comtrade and the Purchaser, provided that if the Estimated Liability exceeds the Retention Consideration or Comtrade acting reasonably believes that its liability in relation to the Outstanding Claim may exceed the Retention Consideration, then Comtrade may refer the relevant matter for resolution under clause 30 and no reference shall be made to Counsel and the provisions of this clause 4.6 shall not apply;

(b) Counsel shall be requested to provide their determination of the Due Amount within fifteen (15) Business Days of accepting their appointment and receipt of any relevant information required by Counsel from Comtrade and the Purchaser for the purpose of providing their determination (or such other period as the Purchaser and Comtrade may otherwise agree with Counsel);

(c) each of Comtrade and the Purchaser shall provide or procure that there is provided to Counsel such assistance and documentation as Counsel shall reasonably require for the purpose of providing a decision on the relevant Outstanding Claim;

(d) Counsel shall act as an expert and not as arbitrator and their determination regarding the Due Amount shall, in the absence of manifest error, be final and binding on each of Comtrade and the Purchaser; and

(e) Counsel's fees in making their determination of the Due Amount shall be borne entirely by the Party which is required pursuant to such determination to pay the Due Amount.

4.7 Following determination of the Outstanding Claim and Due Amount (either as agreed between the Purchaser and Comtrade or as determined by Counsel in accordance with this clause 4 or otherwise in accordance with the terms of this Agreement) or withdrawal of the relevant Outstanding Claim by the Purchaser:

(a) the Purchaser shall immediately satisfy all (to the extent possible) or part of Comtrade's outstanding payment obligation to pay the Due Amount (if any) in respect of the relevant Outstanding Claim by way of set-off against the Remaining Retention Amount, and its obligation to pay that sum shall be reduced pro tanto by the amount so set-off; and

(b) provided there are no other Outstanding Claims, the Purchaser shall pay to Comtrade the balance of the Remaining Retention Amount (if any) after the Purchaser has exercised its rights pursuant to clause 4.7(a) (and after making a retention only for any other Outstanding Claims). If any payment is due by the Purchaser pursuant to this clause 4.7(b), such payment shall be made by the Purchaser within five (5) Business Days of the Outstanding Claim and Due Amount being agreed or determined in accordance with this Agreement or the withdrawal of the relevant Outstanding Claim by the Purchaser.

4.8 For the purposes of this clause 4:

(a) any amounts paid by the Purchaser to Comtrade shall be transferred by electronic bank transfer to Comtrade's Account. Payment in accordance with this clause 4 will be a complete discharge of the Purchaser's obligations to pay the Retention Consideration (or the relevant part thereof) in accordance with this clause 4, and the Purchaser will not be concerned with the distribution of the monies so paid or be answerable for the loss or misapplication of such sum;

(b) nothing in this clause 4 shall operate to prevent the Purchaser from recovering from Comtrade any amount which would have been payable to the Purchaser pursuant to the terms of this Agreement or any other Key Transaction Document to the extent that such amount has not been settled pursuant to this clause 4, including in the case where such amount has not been paid because the total of the amounts payable to the Purchaser exceeded the Retention Consideration; and

(c) the provisions of this clause 4 shall not be regarded as imposing any limitations on Comtrade as to the amount payable by it to the Purchaser in respect of any claim under or pursuant to or in connection with this Agreement, or any other Key Transaction Document. For the avoidance of doubt, the liability of each of Comtrade and the Purchaser under each Key Transaction Document (as applicable) shall be limited in accordance with the terms of the relevant Key Transaction Document (if applicable).

5. **COMPLETION**

5.1 Completion shall take place at such place as Comtrade and the Purchaser may agree, immediately after the exchange and signing of this Agreement.

5.2 At Completion:

(a) each Seller will each perform their respective obligations and deliver, or (as applicable) procure the delivery of, each of the documents listed in paragraphs 1 and 2 of Schedule 3 to the Purchaser; and

(b) the Purchaser will:

(1) pay the Initial Cash Consideration by way of electronic transfer to Comtrade's Account; and

(2) deliver to Comtrade:

a. a counterpart to the Tax Deed, the Purchaser Guarantee and other Transaction Documents to which it or the Purchaser Guarantor is a party, duly executed by the Purchaser or the Purchaser Guarantor as applicable;

b. a copy of the resolutions of the Purchaser Guarantor authorizing entry into and performance of its obligations under the Purchaser Guarantee and evidence that is satisfactory to Comtrade of the authority of any person signing on behalf of the Purchaser Guarantor; and

c. a copy of the resolutions of the Purchaser authorizing entry into and performance of its obligations under the Transaction Documents to which it is a party, and any power of attorney under which any document required to be executed by the Purchaser, in relation to the transactions contemplated in this Agreement or any other Transaction Documents has been executed by the Purchaser, or evidence that is satisfactory to Comtrade of the authority of any person signing on behalf of the Purchaser.

5.3 Payment in accordance with clause 5.2(b) will be a complete discharge of the Purchaser's obligations to pay the Initial Consideration and the Purchaser will not be concerned with the distribution of the monies so paid or be answerable for the loss or misapplication of such sum.

6. COMPLETION ACCOUNTS AND ADJUSTMENT OF CONSIDERATION

6.1 The Parties shall procure that the Completion Accounts, the Completion Working Capital Statement and the Completion Net Cash Statement are prepared and agreed or determined (as the case may be) in accordance with Schedule 6.

6.2 Once the Completion Accounts, the Completion Working Capital Statement and the Completion Net Cash Statement have been agreed or determined (as the case may be) pursuant to clause 6.1 and Schedule 6:

(a) the Initial Cash Consideration shall be deemed:

(1) increased by the amount (if any) by which the Completion Working Capital Amount is greater than the Estimated Working Capital Amount or reduced by the amount (if any) by which the Completion Working Capital Amount is less than the Estimated Working Capital Amount; and

(2) increased by the amount (if any) by which the Completion Net Cash Amount is greater than the Estimated Net Cash Amount or reduced by the amount (if any) by which the Completion Net Cash Amount is less than the Estimated Net Cash Amount; and

(b) the following payments shall be made on the Adjustment Date:

(1) if the amount of the Initial Cash Consideration (as adjusted in accordance with clause 6.2(a)) is deemed to exceed the Initial Cash Consideration paid by the Purchaser to Comtrade on the Completion Date, the Purchaser shall (subject to clause 6.5) pay to Comtrade an amount equal to such excess; or

(2) if the amount of the Initial Cash Consideration (as adjusted in accordance with clause 6.2(a)) is deemed to be less than the Initial Cash Consideration paid by the Purchaser to Comtrade on the Completion Date, Comtrade shall pay to the Purchaser an amount equal to such shortfall.

6.3 Any payment due to the Purchaser from Comtrade pursuant to clause 6.2(b)(2) shall be made by electronic transfer to such account of the Purchaser as is notified to Comtrade by or on behalf of the Purchaser, and the Purchaser shall notify Comtrade of such details no later than five (5) Business Days before the Adjustment Date.

6.4 Any payment due to Comtrade from the Purchaser pursuant to clause 6.2(b)(1) shall be made by electronic transfer to Comtrade and shall be paid by electronic transfer to Comtrade's Account.

6.5 If, at the Adjustment Date, any amount is due for payment by Comtrade to the Purchaser in respect of a claim under this Agreement (including a claim in respect of the Warranties or under any Specific Indemnity) or under another Transaction Document and it has been Resolved that the relevant amount is due by Comtrade, the Purchaser shall be entitled (at its sole discretion) to satisfy all (to the extent possible) or part of Comtrade's outstanding payment obligation by way of set-off against any amount that is payable by the Purchaser under clause 6.2(b)(1), and to treat its obligation to pay that sum as being reduced pro tanto by the amount so set-off.

6.6 If, at the Adjustment Date, any amount is due for payment by the Purchaser to Comtrade in respect of a claim under this Agreement or under another Transaction Document and it has been Resolved that the relevant amount is due by the Purchaser, Comtrade shall be entitled (at its sole discretion) to satisfy all (to the extent possible) or part of the Purchaser's outstanding payment obligation by way of set-off against any amount that is payable by Comtrade under clause 6.2(b)(2), and to treat its obligation to pay that sum as being reduced pro tanto by the amount so set-off.

7. **RESTRICTION ON COMTRADE**

7.1 As further consideration for the Purchaser agreeing to purchase the Sale Shares on the terms of this Agreement, and with the intent of assuring to the Purchaser the full benefit and value of the goodwill and connections of the Group, Comtrade covenants with the Purchaser that it will not, and will procure that none of the Seller Group Companies or any of their directors, managers or officers will, either directly or indirectly:

(a) for the period of twenty-four (24) months after the Completion Date (the "**Restricted Period**") discuss, evaluate, negotiate and/or enter into any engagement, agreement, contract or other arrangement related to the provision of Restricted Services other than Permitted Services, provided that Comtrade may discuss and evaluate a proposal relating to Restricted Services in accordance with the terms of clause 7.6 and solely for the purpose of complying with its obligations under clause 7.6; and

(b) for the period of twenty-four (24) months after the Completion Date, offer employment to or offer to conclude any contract of services or otherwise hire or employ any person who is employed by, or has entered into a service contract with, or who is a consultant to or sub-contractor of, any of the Group Companies and provides services to such Group Company for the purpose of the carrying on of the Business, or procure the making of such an offer by any person.

7.2 Each of the undertakings in clause 7.1 are for the benefit of the Purchaser, the Purchaser's Affiliates and each of the Group Companies.

7.3 Each of the undertakings in clause 7.1 is to be read and construed as an entirely separate and severable undertaking and if any such undertaking is determined to be unenforceable in whole or in part for any reason, that unenforceability will not affect the enforceability of the remaining restrictions or, in the case of a restriction unenforceable in part, the remainder of that restriction.

7.4 Comtrade agrees that each of the restrictions contained in clause 7.1 are reasonable and necessary for the protection of the Purchaser's legitimate interests in the goodwill of Group and the Business, but if any such restriction shall be found to be void or voidable but would be valid and enforceable if some part or parts of the restriction were deleted, such restriction shall apply with such modification as may be necessary to make it valid and enforceable.

7.5 Without prejudice to clause 7.4, if any restriction is held to be illegal, void, invalid or unenforceable under the Laws of any jurisdiction, Comtrade and the Purchaser shall negotiate in good faith to replace such void or unenforceable restriction with a valid provision which, as far as possible, has the same commercial effect as that which it replaces.

7.6 In the event that Comtrade or another Seller Group Company encounters an opportunity to provide Restricted Services which are not also Permitted Services during the Restricted Period (a "**New Opportunity**"), Comtrade will as soon as reasonably practicable thereafter, inform the Purchaser of such New Opportunity in writing (and for the purpose of this clause 7.6 writing shall be deemed to include email), setting out such reasonable details (including facts and circumstances) of the New Opportunity as it is aware (subject to any required confidentiality undertakings from the Purchaser), and offer to the Purchaser and the Purchaser's Group (including the Group Companies) first refusal of the New Opportunity. Within ten (10) Business Days after Comtrade has informed the Purchaser of such New Opportunity, the Purchaser shall confirm to Comtrade in writing if it (or a member of the Purchaser's Group) wishes to pursue the New Opportunity (failing which it shall be deemed to have rejected the New Opportunity) and thereafter Comtrade shall with the prior written consent of the Purchaser (which shall not be unreasonably withheld, conditioned or delayed) be entitled to pursue such New Opportunity.

7.7 Comtrade agrees that the undertakings in clause 7.1 and clause 7.6 apply to actions carried out by Comtrade in any capacity, and whether directly or indirectly, and whether carried out on Comtrade's own behalf or in conjunction with or on behalf of any other person.

8. **SANCTIONS**

8.1 Comtrade undertakes to the Purchaser that it will not, and will procure that neither Comtrade Management nor any of the other Seller Group Companies will, directly or knowingly indirectly, use the Consideration or directly or knowingly indirectly lend, contribute or otherwise make available such proceeds (i) to any other person or entity to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is a Sanctions Target, or (ii) in any other manner that, in each case, will result in a violation by the Purchaser or its Representatives of Sanctions.

8.2 Comtrade undertakes to the Purchaser that it will not, and will procure that neither Comtrade Management nor any of the other Seller Group Companies will, directly or knowingly indirectly use the Consideration or directly or knowingly

indirectly lend, contribute or otherwise make available such proceeds to any other person or entity in a manner that would cause a violation of applicable Anti-Money Laundering Laws or Anti-Corruption Laws by the Purchaser or its Representatives.

9. **COMMERCIAL INFORMATION CONCERNING THE GROUP**

9.1 Subject to clause 9.2, Comtrade shall not for a period of three (3) years from the Completion Date to the detriment of any Group Company use any Commercial Information which is confidential. For the avoidance of doubt, to the extent that Commercial Information includes basic information about clients, customers and suppliers of the Seller Group (including the names of directors and decision makers at those clients, customers and suppliers and such persons' contact details) Comtrade is permitted to retain and use such information for the Permitted Services subject always to the provisions of clause 7.

9.2 Comtrade shall be permitted to disclose Commercial Information (including where such information is confidential) to:

(a) Seller Group Companies and their directors, managers, officers and employees who Comtrade (acting reasonably) determines needs to know such information for the purposes of the Transaction or in connection with their role, including for the purpose of providing services under the TSA; or

(b) its professional advisers for the purposes of advising on this Agreement and the other Transaction Documents; or

(c) any Tax Authority where such disclosure is required or desirable in the management of its tax affairs.

9.3 Comtrade shall not at any time after the date of this Agreement, disclose, or permit the disclosure of, any Commercial Information which is confidential to any person (other than as permitted pursuant to clause 9.2 or 9.4).

9.4 The undertaking in clause 9.3 will not apply to Commercial Information:

(a) in so far as the same has become public knowledge otherwise than, directly or indirectly, through the breach by Comtrade of clause 9.3 or the failure of any permitted recipient of Commercial Information pursuant to clause 9.2 to keep the same confidential; or

(b) to the extent required by Law or any Regulatory Requirement or by a court of competent jurisdiction.

10. **WARRANTIES**

10.1 Comtrade warrants to the Purchaser that each of the Warranties and the Tax Warranties is true and accurate as at the date of this Agreement.

10.2 Each of the Warranties and the Tax Warranties is separate and independent and, is not limited by reference to, or inference from any of the other Warranties or Tax Warranties.

10.3 The Warranties and the Tax Warranties are given subject to matters Disclosed, provided that Comtrade may not Disclose any fact, matter, event or circumstance in relation to the Fundamental Warranties.

10.4 Comtrade unconditionally and irrevocably waives all and any rights and claims it may have against any of its present or former employees, directors or officers (including those employed or providing services to the Group) (collectively, the "**Group Representatives**") on whom it may have relied in relation to the entering into of this Agreement or any other Transaction Document, including in respect of any information that any such person has in any capacity supplied or omitted to supply to Comtrade in connection with the Warranties, the Tax Warranties, the Tax Deed or the information Disclosed, and undertakes that it will not make any such claim against such persons other than in respect of fraud, willful misconduct, willful concealment, dishonesty or criminal misconduct.

10.5 The rights of the Group Representatives pursuant to clause 10.4 are intended to be enforceable under the Contracts (Rights of Third Parties) Act 1999, subject to the terms that the Purchaser has the right (which it may waive in whole or in part in its absolute discretion and without the consent of any Group Representative) to have the sole conduct of any proceedings in relation to the enforcement of such rights (including any decision as to the commencement or compromise of such proceedings) and in such circumstance, the Purchaser will not owe any duty or have any liability to any of the Group Representatives in relation to such conduct.

10.6 Comtrade's liability in respect of any claim in respect of the Warranties will be limited as provided in Schedule 7. The Parties agree that the Purchaser's exclusive remedy against Comtrade for a breach of Warranty shall be a claim for damages under this Agreement and shall not extend to a right to rescind this Agreement.

10.7 In respect of the Management Accounts only, the Parties acknowledge that to the extent any of the Disclosure Documents contain information which in any way conflicts or is inconsistent with the information contained in the Management Accounts, the contents of the Disclosure Documents shall be considered in the following order of priority, with the contents of or information contained in those prioritized items prevailing over the later items for the purposes of considering information that has been Disclosed in respect of the Management Accounts:

(a) first, the matters set out in paragraph 9 of the Disclosure Letter as "Specific Disclosures";

(b) second, the contents of the Management Accounts; and

(c) third, the contents of the other Disclosure Documents (other than the "Specific Disclosures" set out in paragraph 9 of the Disclosure Letter and the Management Accounts).

11. SPECIFIC INDEMNITIES

11.1 Comtrade shall indemnify the Purchaser in respect of any liability (other than any liability which relates to Tax) of the Purchaser or a Group Company arising out of, or in connection with, any of those matters specified in Schedule 5 (together, the "**Specific Indemnities**" and each a "**Specific Indemnity**"), and without limiting any other right of the Purchaser or remedy it may have available to it (including its ability to claim damages), if any matter giving rise to a Specific Indemnity occurs, the Purchaser shall be entitled to claim against Comtrade and Comtrade shall be liable to pay in cash to the Purchaser (or if so directed by the Purchaser, to a Group Company, provided that the amount payable to such Group Company shall not exceed the amount which would otherwise have been payable by Comtrade to the Purchaser and Comtrade shall have no obligation under clauses 13 or 14 to gross up any such payment to the Group Company if it would not have been required to gross up a payment made directly to the Purchaser) on demand an amount equal to the aggregate of:

(a) the amount which, if received by the Purchaser or the relevant Group Company, would be necessary to put the Purchaser or the relevant Group Company into the position it would have been in had the matter giving rise to the Specific Indemnity not occurred, including the amount of any liability which as a result arises or is or becomes greater or which the Purchaser or a Group Company as a result incurs or to which any of them as a result becomes subject; and

(b) all Losses (to the extent not already recovered pursuant to clause 11.1(a)) suffered or incurred by the Purchaser or the relevant Group Company, directly or indirectly, as a result of or in connection with such matter occurring and giving rise to the Specific Indemnity, if such reasonable steps were taken as would be necessary to put the relevant Group Company as nearly as possible into the position in which it would have been if the matter giving rise to the Specific Indemnity had not occurred.

11.2 Comtrade's liability in respect of any claim in respect of the Specific Indemnities will be limited by certain of the limitations set out in Schedule 7 as provided in Schedule 7.

12. RELEASE OF GUARANTEES AND OTHER SECURITY

CDS Guarantees

12.1 The Purchaser undertakes to the Sellers, for the benefit of the Sellers and for each other Seller Group Company, that as soon as reasonably practicable following Completion (and within six (6) months of Completion) it shall:

(a) use all reasonable endeavours to procure the release and discharge in full of the Sellers and each other member of the Seller Group from any obligations or liabilities any of them may have in respect of each of the CDS Guarantees which relate to the period after Completion; and

(b) if required by a creditor under any CDS Guarantee, use all reasonable endeavours to procure the replacement of the Sellers or any other Seller Group Company as the primary obligor, guarantor or co-debtor in respect of each of the CDS Guarantees, in each case, which continue after Completion, on a non-recourse basis to the Sellers and each Seller Group Company.

12.2 The Purchaser agrees with the Sellers, for the benefit of the Sellers and each other Seller Group Company which is a party to a CDS Guarantee that, for so long as any guarantee and pertaining collateral provided by any Seller Group Company in respect of any CDS Guarantee has not been released and discharged (notwithstanding the provisions of clause 12.1) at Completion it shall, or shall procure that, where relevant, a Purchaser Group Company shall, with effect from Completion and in respect of the period after Completion duly and properly perform, pay and discharge each obligation or liability to which any CDS Guarantee (guaranteed or secured by any member of Seller Group (or its assets)) relates, and duly and properly perform, pay and discharge when due each of the CDS Guarantees, and the Purchaser, for itself and on behalf of each Purchaser Group Company, shall indemnify the Sellers (for the benefit of the Sellers and each other Seller Group Company) against any and all Losses made, suffered or incurred by any and Seller Group Companies in respect of, or arising under, pursuant to or out of any and all of the CDS Guarantees.

Comtrade Guarantees

12.3 Comtrade undertakes to the Purchaser, for the benefit of the Purchaser and for each other Purchaser Group Company, that as soon as reasonably practicable following Completion (and within six (6) months of Completion) it shall:

(a) use all reasonable endeavours to procure the release and discharge in full of the Group Companies from any obligations or liabilities any of them may have in respect of each of the Comtrade Guarantees which relate to the period after Completion; and

(b) if required by a creditor under any Comtrade Guarantee, use all reasonable endeavours to procure the replacement of a Group Company as the primary obligor, guarantor or co-debtor in respect of each of the Comtrade Guarantees, in each case, which continue after Completion, on a non-recourse basis to the Purchaser and each other Purchaser Group Company.

12.4 Comtrade agrees with the Purchaser that, for so long as any guarantee and pertaining collateral provided by any Group Company in respect of any Comtrade Guarantee has not been released and discharged (notwithstanding the provisions of clause 12.3) at Completion it shall, or shall procure that, where relevant, a Seller Group Company shall, with effect from Completion and in respect of the period after Completion duly and properly perform, pay and discharge each obligation or liability to which any Comtrade Guarantee (guaranteed or secured by any member of the Group (or its assets)) relates, and duly and properly perform, pay and discharge when due each of the Comtrade Guarantees, and Comtrade, for itself and on behalf of each other Seller Group Company, shall indemnify the Purchaser and each other Purchaser Group Company against any and all Losses made, suffered or incurred by the Purchaser or any other Purchaser Group Company in respect of, or arising under, pursuant to or out of any and all the Comtrade Guarantees.

Performance Guarantee Liabilities

12.5 Comtrade undertakes to the Purchaser, for the benefit of the Purchaser and for each other Purchaser Group Company (including the Group Companies) that it shall:

(a) use all reasonable endeavours to procure the release and discharge in full of the Group Companies from any obligations or liabilities any of them may have in respect of the Performance Guarantee Liabilities irrespective of the period to which they relate; and

(b) assume any obligations or liabilities any of the Group Companies may have in respect of the Performance Guarantee Liabilities irrespective of the period to which they relate, and (if applicable) use all reasonable endeavours to procure the substitution of a Group Company as an obligor in respect thereof, in each case, on a non-recourse basis to the Purchaser and each other Purchaser Group Company (including the Group Companies).

12.6 Comtrade agrees with the Purchaser that, for so long as any Performance Guarantee Liability has not been released and discharged (notwithstanding the provisions of clause 12.5) at Completion it shall, or shall procure that, where relevant, a Seller Group Company shall, with effect from Completion and in respect of the period after as well as before Completion duly and properly perform, pay and discharge each obligation or liability to which any Performance Guarantee Liability relates, and duly and properly perform, pay and discharge when due each of the Performance Guarantee Liabilities and Comtrade, for itself and on behalf of each other Seller Group Company, shall indemnify the Purchaser and each Purchaser Group Company (including each Group Company) against any and all Losses made, suffered or incurred by the Purchaser or any Purchaser Group Company (including any Group Company) in respect of, or arising under, pursuant to or out of any and all of the Performance Guarantee Liabilities.

13. **Post-completion Obligations**

13.1 For so long after Completion as a Seller or any of their nominees remain the registered holder of any of the Sale Shares, each Seller will:

(a) hold those Sale Shares and all dividends or distributions (whether of income or capital), in respect of them, and all property and other rights arising out of or in connection with them, on trust for the Purchaser; and

(b) at all times deal with and dispose of those Sale Shares, and all such dividends, distributions, property and rights, deriving from such Sale Shares as the Purchaser directs by written notice. In particular, each Seller shall exercise all voting rights with respect to the Sale Shares that each holds as the Purchaser directs, and shall execute an instrument of proxy, power of attorney or other document which enables the Purchaser or its representative to attend and vote at any meeting of either of the Companies (as applicable).

13.2 For a period of six (6) years following Completion, Comtrade will retain and keep safe all records, correspondence and other documents relating to any Group Company or to the Business which after Completion remain in the possession or under the control of Comtrade and which relate to the period prior to Completion. Comtrade will on reasonable request by the Purchaser promptly provide the Purchaser (at the Purchaser's cost) with copies of any such records, correspondence and other documents or information known to it in respect of the Group or the Business, in each case subject to confidentiality undertakings where required by Comtrade. The Purchaser agrees that Comtrade shall not be required to provide copies of any records, correspondence or documents to the Purchaser to the extent that in the reasonable opinion of Comtrade such disclosure is likely to cause it to be in breach of any relevant Laws or Regulatory Requirements.

13.3 For a period of six (6) years following Completion, the Purchaser will on reasonable request by Comtrade promptly provide Comtrade (at Comtrade's cost) with copies of any records, correspondence and other documents or other information known to it relating to the Group which relate to the period prior to Completion (subject to confidentiality undertakings where required by the Purchaser). Comtrade agrees that the Purchaser shall not be required to provide copies of any records, correspondence or documents to Comtrade to the extent that, in the reasonable opinion of the Purchaser, such disclosure is likely to cause it to be in breach of any relevant Laws or Regulatory Requirements.

13.4 Comtrade agrees that:

(a) from the Completion Date, the Purchaser and each other member of the Purchaser's Group (including, for the avoidance of doubt, the Group Companies) will be entitled to use the names "*Voyego*", "*Beezify*" and such other CDS brand names used with respect to the Business (together, the "**Permanent Brand Names**") without restriction;

(b) for a period of twelve (12) months following the Completion Date, subject to clause 13.5, the Purchaser and each other member of the Purchaser's Group (including, for the avoidance of doubt, the Group Companies) will be entitled to use the names "*Comtrade Digital Services*" and "*CDS*" (together, the "**CDS Brand Names**"). On the date falling twelve (12) months after the Completion Date, the Purchaser and each other member of the Purchaser's Group (including, for the avoidance of doubt, the Group Companies) shall cease to have any right or entitlement to use the CDS Brand Names and shall stop using the CDS Brand Names and shall as soon as reasonably practicable thereafter remove and shall procure that each other Purchaser Group Company (including, for the avoidance of doubt, the Group Companies) shall remove all references to the CDS Brand Names from its websites, premises and other assets owned or used by the Purchaser or any Purchaser Group Company (including, for the avoidance of doubt, the Group Companies);

(c) Comtrade shall not use the Permanent Brand Names or the CDS Brand Names (or any one of them) following Completion provided that, for the avoidance of doubt, nothing in this Agreement shall in any way limit or restrict the right of any member of the Seller Group to use the name "Comtrade"; and

(d) as soon as reasonably practicable following Completion, and in any event by no later than ninety (90) days after Completion, Comtrade shall procure that all references to the Permanent Brand Names and the CDS Brand Names are removed from its websites, premises and other assets owned or used by Comtrade or any Comtrade Group Company.

13.5 The Purchaser acknowledges that all rights, title and interests in and to the "Comtrade" name and brand (excluding, for the avoidance of doubt, the Permanent Brand Names and the CDS Brand Names), together with all Intellectual Property relating thereto, is owned by the Seller Group and that except as provided in this Agreement, neither the Purchaser nor any Purchaser Group Company (including, for the avoidance of doubt, the Group Companies) shall be entitled to use

the name "Comtrade" (other than "Comtrade Digital Services") or any Intellectual Property relating thereto. The Purchaser undertakes that it shall not at any time (and shall procure that each Purchaser Group Company (including, for the avoidance of doubt, the Group Companies) shall not) do, or omit to do, or permit to be done, any act that will weaken, damage or be detrimental to the "Comtrade" brand or the reputation or goodwill associated with the "Comtrade" brand. Comtrade undertakes that it shall not at any time (and shall procure that each Seller Group Company shall not) do, or omit to do, or permit to be done, any act that will weaken, damage or be detrimental to the "CDS" brand (which, for the purposes of this Agreement, is deemed to include the Permanent Brand Names and the CDS Brand Names) or the reputation or goodwill associated with the "CDS" brand.

13.6 Subject to clause 13.10(b), if within the period ending six (6) months after Completion, the Purchaser, or either Seller or a member of the Seller Group, discovers that any Business Asset (including any of the domain names listed in Part A of Schedule 10) is owned by a member of the Seller Group ("**Company Assets**"), the Purchaser, the relevant Seller or member of the Seller Group (as applicable) shall as soon as reasonably possible after becoming aware of such fact, inform the other Parties and thereafter, at the request of the Purchaser, Comtrade shall as soon as reasonably practicable execute or use reasonable endeavours to procure the execution of such documents as may be reasonably necessary to procure the transfer of any such Company Assets to the relevant Group Company (as the Purchaser shall direct and subject to the Purchaser executing any documentation reasonably required in connection therewith) and until such time, Comtrade or the relevant member of the Seller Group, will hold such Company Assets, together with any revenue generated under or in respect of any such Company Assets after the Effective Time, on trust (such trust being a bare trust) for the Purchaser or any relevant Group Company, such person being the economic owner of the Company Assets. Comtrade shall (or shall procure that the relevant member of the Seller Group shall) pay over to the Purchaser such revenue received by it or a Seller Group Company under or in respect of any such Company Assets after the Effective Time promptly upon receipt and, in any event, in one lump-sum once per calendar month until such time as the relevant Company Asset is transferred to the relevant Group Company. Any such Company Assets shall be transferred for nil consideration. Comtrade shall as soon as reasonably practicable after Completion procure that either the [***] (the "[***]") is liquidated or any interest in the [***] held by a Group Company is transferred to a Seller Group Company in each case without any liability on the part of any Purchaser Group Company and Comtrade shall execute or use reasonable endeavours to procure the execution of such documents as may be reasonably necessary in connection therewith (subject to any Purchaser Group Company executing any documentation reasonably required in connection therewith, including a power of attorney) and Comtrade shall indemnify and hold the Purchaser harmless from and against any claims or other Losses that it (or any Purchaser Group Company, including each member of the Group) suffers (whenever arising) in connection with its ownership of any interest in the [***]. Comtrade shall indemnify and hold the Purchaser harmless from and against any claims or other Losses that it (or any Purchaser Group Company, including each member of the Group) suffers (whenever arising) in connection with the [***] Contract.

13.7 Subject to clause 13.10(a), if within the period ending six (6) months after Completion, the Purchaser, either Seller or any Seller Group Company discovers that any Group Company owns any property, rights, assets, agreements or other commitments that (i) were owned by the Comtrade Group prior to the Effective Time and (ii) are not Business Assets or Company Assets (including any of the domain names listed in Part B of Schedule 10) ("**Carve-out Assets**"), the Purchaser, relevant Seller or member of the Seller Group Company (as applicable) shall as soon as reasonably possible after becoming aware of such fact, inform the other Parties and thereafter, at the request of Comtrade, the Purchaser shall as soon as reasonably practicable execute or use reasonable endeavors to procure the execution of such documents as may be reasonably necessary to procure the transfer of any such Carve-out Assets to Comtrade or any member of the Seller Group (as Comtrade shall direct and subject to Comtrade executing any documentation reasonably required in connection therewith) and until such time, the Purchaser or the relevant Group Company will hold such Carve-out Assets, together with any revenue generated under or in respect of any such Carve-out Assets after the Effective Time, on trust (such trust being a bare trust) for Comtrade or any relevant member of the Seller Group, such person being the economic owner of the Carve-out Asset. The Purchaser shall (or shall procure that the relevant Group Company shall) pay over to Comtrade or as Comtrade directs all such revenue received by the Purchaser or a Group Company under or in respect of any Carve-out Assets after the Effective Time promptly upon receipt and, in any event, in one lump-sum once per calendar month until such time as the relevant Carve-out Asset is transferred to Comtrade or another member of the Seller Group. Any such Carve-out Assets shall be transferred for nil consideration.

13.8 The Purchaser undertakes that, in connection with the transfer of Employees from CT SE to CDS Serbia, it shall:

[***].

13.9 To the extent permissible by applicable Law, the Purchaser undertakes not to initiate, or permit to be initiated by any member of the Purchaser's Group (including after Completion, the Group Companies) any action, suit, claim or litigation (in each case other than in respect of fraud, willful misconduct, willful concealment, dishonesty or criminal misconduct)

against any director, manager or officer of any Group Company holding office immediately prior to Completion ("**Pre-Completion Officers**") with respect to any action taken, omission or matter occurring before or on the Completion Date. The rights of the Pre-Completion Officers pursuant to clause 13.9 are intended to be enforceable under the Contracts (Rights of Third Parties) Act 1999, subject to the terms that Comtrade has the right (which it may waive in whole or in part in its absolute discretion and without the consent of any Pre-Completion Officer) to have the sole conduct of any proceedings in relation to the enforcement of such rights (including any decision as to the commencement or compromise of such proceedings) and in such circumstance, Comtrade will not owe any duty or have any liability to any of the Pre-Completion Officers in relation to such conduct.

13.10 The Parties agree that for a period of twelve (12) months following Completion in respect of the Comtrade Contracts, and six (6) months following Completion in respect of the CDS [***] Contract, they shall co-operate with each other and, at the reasonable request of the other Party, execute or use reasonable endeavours to procure the execution of such documents as may be reasonably necessary to:

(a) transfer the rights and obligations under the Comtrade Contracts from CT SA or another Group Company to Comtrade or any other member of the Seller Group (as Comtrade shall direct) for nil consideration, and the Parties agree that:

i. until such time as the rights and obligations under Comtrade Contracts are transferred to Comtrade or another member of the Seller Group, the obligation to perform the Comtrade Contracts shall be sub-contracted by CT SA (or another Group Company) to Comtrade (or such other member of the Seller Group as Comtrade directs), and the relevant member of the Seller Group shall ensure the proper and due performance of all of the obligations of CT SA (or such other relevant Group Company thereunder) in accordance with the terms of each Comtrade Contract, provided that the preparation, distribution and receipt of invoices under the Comtrade Contracts shall not be sub-contracted to Comtrade (or another member of the Seller Group) and CT SA shall (subject to the following sentence) remain responsible for the preparation, distribution and receipt of invoices under the Comtrade Contracts in accordance with the terms of the Comtrade Contracts (and shall promptly provide a copy of such invoices to Comtrade or as Comtrade directs). Comtrade shall (or shall procure that a Seller Group Company shall) provide CT SA (or a relevant Group Company) with such reasonable assistance and all such information as CT SA (or the relevant Group Company) reasonably requires in order to service the invoices as described in this clause 13.10(a)(1), and to the extent that Comtrade (or a Comtrade Group Company) has not provided CT SA (or the relevant Group Company) with such reasonable assistance or information to enable it to service the invoices, neither the Purchaser nor CT SA nor any other Group Company shall have any liability to Comtrade or any Seller Group Company in respect of the obligation to service such invoice(s) as set out in this clause 13.10(a)(1);

ii. until such time as the rights and obligations under the Comtrade Contracts are transferred to Comtrade or another member of the Seller Group, CT SA (or another relevant Group Company) shall hold the benefit of such Comtrade Contracts, together with any revenue generated under or in respect of any such Comtrade Contracts after the Effective Time, on trust (such trust being a bare trust) for Comtrade or any relevant member of the Seller Group, such person being the economic owner of the benefit of the Comtrade Contracts. The Purchaser shall procure that CT SA (or another relevant Group Company) shall pay over to Comtrade or as Comtrade directs all such revenue received by CT SA (or another relevant Group Company), under or in respect of the Comtrade Contracts after the Effective Time promptly upon receipt and, in any event, in one lump-sum once per calendar month until such time as the relevant Comtrade Contract is transferred to Comtrade or another member of the Seller Group; and

iii. Comtrade shall indemnify and hold the Purchaser harmless from and against any claims or other Losses that it (or any member of the Purchaser's Group, including each member of the Group) suffers in connection with the Comtrade Contracts;

(b) transfer the rights and obligations under the CDS [***] Contract from CT SE to CDS Serbia or any other member of the Group (as the Purchaser shall direct) for nil consideration and, the Parties agree that:

i. until such time as the rights and obligations of CT SE pursuant to the CDS [***] Contract are transferred to CDS Serbia or another member of the Group, or the CDS [***] Contract is terminated and replaced with a new contract between a Group Company and [***] only, the obligations on CT SE to perform the CDS [***] Contract shall be sub-contracted to CDS Serbia (or such other Group Company as the

Purchaser directs), and the relevant Group Company shall ensure the proper and due performance of all such obligations in accordance with the terms of the CDS [***] Contract;

ii. until such time as the CDS [***] Contract is transferred to CDS Serbia or another member of the Group, or the CDS [***] Contract is terminated and replaced with a new contract between a Group Company and [***] only, CT SE shall (to the extent relevant) hold the benefit of such CDS [***] Contract together with any revenue generated under or in respect of the CDS [***] Contract after the Effective Time, on trust (such trust being a bare trust) for CDS Serbia or any relevant member of the Group, such person being the economic owner of the benefit of the CDS [***] Contract, and shall pay over to CDS Serbia or as the Purchaser otherwise directs, any revenue received by CT SE (or another relevant Seller Group Company), under or in respect of the CDS [***] Contract after the Effective Time promptly upon receipt and, in any event, in one lump-sum once per calendar month until such time as the CDS [***] Contract is transferred to CDS Serbia or another member of the Group or the CDS [***] Contract is terminated and replaced with a new contract between a Group Company and [***] only; and

iii. Comtrade undertakes to pay to CDS Serbia (or such other Group Company as the Purchaser shall direct) such amount as is equal to any reasonable and properly incurred third party fees or costs incurred by the Purchaser's Group (including the Group Companies) in connection with the transfer of the CDS [***] Contract to a member of the Group;

(c) transfer [***] vehicles held under hire lease arrangements, details of which are set out at Schedule 15, from CT Management & Consulting Services d.o.o. Belgrade to CDS Serbia, and the Purchaser shall procure that any payments required to be made thereunder by any Seller Group Company after the Effective Time shall be promptly reimbursed by CDS Serbia to Comtrade. The Purchaser shall also provide such security as is required (that the Purchaser deems appropriate) on terms to be agreed by the Purchaser and the third party lease provider(s) (as applicable), in each case in connection with and in order for their consent to be provided for the transfer of such hire lease arrangements; and

(d) transfer the car lease arrangement relating to the [***] from CT SA to Comtrade Solutions Engineering d.o.o. Sarajevo, and Comtrade shall procure that any payments required to be made thereunder by a Group Company after the Effective Time shall be promptly reimbursed by Comtrade to the Group. Comtrade shall also provide such security as is required (and that Comtrade deems appropriate) on terms to be agreed by Comtrade and the third party lease provider in connection with and in order for their consent to be provided for the transfer of such hire lease arrangement.

13.11 For the avoidance of doubt, to the extent any Company Asset (including the CDS [***] Contract) has not been transferred pursuant to the terms of clause 13.6 or clause 13.10 and within six (6) or twelve (12) months of Completion (as applicable) (and subject to clause 13.20), the Purchaser shall (in addition to any other right or remedy that may be available to it) be entitled to bring a Claim against Comtrade for breach of this Agreement in respect thereof, including for breach of the Fundamental Warranties set out in Schedule 4 at paragraph 3.9 and/or paragraph 3.10 (as applicable), subject always to the terms of this Agreement including Schedule 7.

13.12 The Purchaser or a Group Company shall promptly after Completion (at the cost of Comtrade subject to Comtrade having approved the relevant policy and cost in advance) arrange for a run off policy in relation to the professional indemnity insurance and directors and officers insurance in respect of the Group prior to Completion for a period of not less than two (2) years after the Completion Date (and which shall commence and be effective from the Completion Date) (the "**Run off Policy**").

13.13 From Completion, Comtrade and the Purchaser shall use all reasonable efforts and provide each other with all such reasonable assistance and information as is required, in order to agree and procure the entry by the Group Companies into new leases and subleases in respect of each of the Properties described at Parts C and D (inclusive) of Schedule 8 (the "**New Leases**").

13.14 Comtrade shall ensure that (unless otherwise agreed with the Purchaser) the terms of such New Leases shall:

(a) reflect those key terms (with respect to matters such as price and term) for each of the Properties to the extent that these have been discussed and agreed as between Comtrade and the Purchaser and as set out in the spreadsheet appended at Part F of Schedule 8;

(b) save for those specifically agreed terms described in clause 13.14(a), be on substantially the same terms as the pro forma lease agreement set out at Part E of Schedule 8 to this Agreement; and

(c) to the extent that any New Lease is a sub-lease, be on terms that are substantially equal to those of the related head-lease.

13.15 Comtrade and the Purchaser shall seek to agree the terms of the New Leases by 30 September 2020 (the "**Lease Longstop Date**") and the Purchaser shall procure that each Group Company occupying any Properties the subject of the New Leases shall with effect from the Effective Time and until the New Leases are entered into pay rent and any other relevant charges relating to the occupation of each such Property to Comtrade in the amounts set out in respect of each Property in Parts C and D of Schedule 8 (the "**Rent Costs**"). If the New Leases are not entered into by the Lease Longstop Date, the Purchaser shall (upon request by Comtrade) procure that each Group Company shall vacate any Property it is occupying and which is not the subject of a New Lease or a Completion Lease within ninety (90) days of the Lease Longstop Date and pay all amounts due in respect of unpaid Rent Costs for the period commencing at the Effective Time and ending on the date on which each of the Group Companies has, pursuant to the terms of this clause 13.15, vacated the relevant Properties.

13.16 Comtrade and the Purchaser shall seek to agree the terms of the lease for the property at I Krajiškog korpusa 39 Banja Luka, Bosnia and Herzegovina, 3rd and 4th floor (the "**Banja Luka Lease**") by 30 September 2020 (the "**Banja Luka Lease Longstop Date**") and Comtrade shall procure that with effect from the Effective Time and until the Banja Luka Lease is entered into that Comtrade (or another Seller Group Company) shall pay rent of EUR [***] per month together with any other relevant charges relating to the occupation of the Banja Luka premises to the Purchaser (the "**Banja Luka Rent Costs**"). If the Banja Luka Lease is not entered into by the Banja Luka Lease Longstop Date, Comtrade shall (upon request by the Purchaser) procure that the relevant Seller Group Company occupying the property shall vacate the property within ninety (90) days of the Banja Luka Lease Longstop Date and pay all amounts due in respect of unpaid Banja Luka Rent Costs for the period commencing at the Effective Time and ending on the date on which the relevant Seller Group Company has, pursuant to the terms of this clause 13.16, vacated the Banja Luka premises.

13.17 The Parties agree that during the period commencing on the first day of the Review Period and ending on the date which is six (6) months after the Completion Date, if a Group Company or the Purchaser or any member of the Purchaser's Group receives any payments from, or in respect of, any Overdue Account which was provided for in the Completion Accounts pursuant to paragraph 5.2(o) of Schedule 6, then the Purchaser shall remit those monies to the Seller without deduction within ten (10) Business Days after receipt of the same.

13.18 The Parties agree that nothing in clause 13 shall require or demand the Purchaser or a Purchaser Group Company to take or refrain from taking any action to the extent that it would, in the reasonable opinion of the Purchaser, be likely to cause the Purchaser or a Purchaser Group Company to be in breach or violation of any Law or Regulatory Requirement and the Purchaser shall promptly notify Comtrade upon becoming aware that this clause 13.18 applies and provide reasonable details of the relevant breach (a "**Purchaser Notified Issue**"). Upon receipt of a Purchaser Notified Issue and to the extent that Comtrade is of the view that the relevant breach or violation detailed in the Purchaser Notified Issue will prevent it from transferring a Company Asset, including any such asset pursuant to clause 13.10, to the Purchaser (or a Group Company) pursuant to the terms of this clause 13, and resulting in a "**Purchaser Non-transfer Issue**", Comtrade shall promptly notify the Purchaser.

13.19 In the event of a Purchaser Notified Issue (including in the case of a Purchaser Non-transfer Issue), Comtrade and the Purchaser shall negotiate in good faith to replace the relevant obligation of the Purchaser or Comtrade (as applicable) with an obligation which does not cause it to be or is not likely to cause it to be in breach or violation of any Law or Regulatory Requirement and which, as far as possible, has the same commercial effect as that which it replaces.

13.20 In the event that a Purchaser Non-transfer Issue cannot be resolved pursuant to clause 13.19, until such time as the Purchaser Non-transfer Issue is agreed in writing between Comtrade and the Purchaser, or otherwise resolved or determined pursuant to the terms of this Agreement, Comtrade shall have no liability to the Purchaser in respect of the non-transfer to the Purchaser or the Group of that particular Company Asset that is the subject of the Purchaser Non-transfer Issue pursuant to the terms of clause 13.6 or 13.10 (as applicable).

13.21 The Parties agree that nothing in clause 13 shall require or demand Comtrade or a Seller Group Company to take or refrain from taking any action to the extent that it would, in the reasonable opinion of Comtrade, be likely to cause Comtrade or a Seller Group Company to be in breach or violation of any Law or Regulatory Requirement and Comtrade shall promptly notify the Purchaser upon becoming aware that this clause 13.21 applies and provide reasonable details of the relevant breach (a "**Comtrade Notified Issue**"). Upon receipt of a Comtrade Notified Issue and to the extent that the Purchaser is of the view that the relevant breach or violation detailed in the Comtrade Notified Issue will prevent it from transferring a Carve-out Asset, including any such asset pursuant to clause 13.10, to Comtrade (or a Seller Group

Company) pursuant to the terms of this clause 13, and resulting in a "**Comtrade Non-transfer Issue**", the Purchaser shall promptly notify Comtrade.

13.22 In the event of a Comtrade Notified Issue (including in the case of a Comtrade Non-transfer Issue), Comtrade and the Purchaser shall negotiate in good faith to replace the relevant obligation of Comtrade or the Purchaser (as applicable) with an obligation which does not cause it to be or is not likely to cause it to be in breach or violation of any Law or Regulatory Requirement and which, as far as possible, has the same commercial effect as that which it replaces.

13.23 In the event that a Comtrade Non-transfer Issue cannot be resolved pursuant to clause 13.22, until such time as the Comtrade Non-transfer Issue is agreed in writing between Comtrade and the Purchaser, or otherwise resolved or determined pursuant to the terms of this Agreement, the Purchaser shall have no liability to Comtrade in respect of the non-transfer to Comtrade or the Seller Group of that particular Carve-out Asset that is the subject of the Comtrade Non-transfer Issue pursuant to the terms of clause 13.7 or 13.10 (as applicable).

14. DEDUCTIONS AND WITHHOLDINGS

14.1 All payments to be made under this Agreement shall (unless otherwise specified in this Agreement) be made free from any set-off, counterclaim, withholding or other deduction of any nature whatsoever, except for withholdings or deductions required to be made by Law.

14.2 If any deductions or withholdings are required by Law to be made from any payments to be made under an indemnity, covenant or warranty contained in this Agreement or the Tax Deed, the person making the payment shall be obliged to pay the recipient such amount as will, after the deduction or withholding has been made, leave the recipient with the same amount as it would have been entitled to receive in the absence of such requirement to make it a deduction or withholding.

14.3 If the person making the payment is required by Law to make a deduction or withholding as is referred to in clause 14.2, that person shall:

(a) make such deduction or withholding;

(b) account for the full amount deducted or withheld to the relevant authority in accordance with applicable Law; and

(c) provide to the recipient the original, or a certified copy, of a receipt or other documentation evidencing the above.

15. GROSS-UP

If any amount paid or due under this Agreement (other than (i) any amount paid or due by the Purchaser in respect of the Consideration or (ii) any payments made in respect of revenue held on trust pursuant to clause 13.6, clause 13.7, clause 13.10(a) or clause 13.10(b)) (the "**Net Amount**") is a taxable receipt of the recipient then the amount so paid or due by the payer shall be increased to an amount which after subtraction of the amount of any Tax on such increased amount which arises, or would but for the availability of any Relief arise, shall equal the Net Amount provided that if any payment is initially made on the basis that the amount due is not taxable in the hands of the recipient and it is subsequently determined that it is, or vice versa, appropriate adjustments shall be made between the person making the payment and the recipient.

16. ANNOUNCEMENTS

16.1 Following Completion, the Purchaser shall make a public announcement or press release in respect of completion of the Transaction (the "**Purchaser Statement**"), provided that a draft of the Purchaser Statement shall have been provided to Comtrade for review prior to public disclosure by the Purchaser.

16.2 Comtrade shall not make any announcement, press release or other public disclosure in connection with the transactions contemplated by this Agreement or any other Transaction Document, except an announcement or press release in the Agreed Form, save that Comtrade shall be permitted to make an announcement or press release after the release and public disclosure of the Purchaser Statement, provided that such announcement or press release contains only that information referred to in the Purchaser Statement or that is otherwise available in the public domain.

16.3 Subject to compliance by the Purchaser with clause 16.1 and clause 17, nothing in this Agreement shall prohibit the Purchaser, after Completion from making any announcement, press release or other public disclosure in connection with the transactions contemplated by this Agreement or any other Transaction Document, or sending any announcement to

a shareholder, customer, client or supplier of the Business, or to any other person informing such person that the Purchaser has purchased the Sale Shares.

17. **CONFIDENTIALITY**

17.1 Each Party undertakes that it will, and, in the case of the Purchaser, each other member of the Purchaser's Group, and in the case of Comtrade, each other member of the Seller Group will, keep confidential at all times after the date of this Agreement, and not directly or indirectly reveal, disclose or use for its own or any other purposes, any information received or obtained as a result of entering into or performing, or supplied by or on behalf of the other Parties in the negotiations leading to, this Agreement or the other Transaction Documents and which relates to:

(a) the negotiations relating to this Agreement and/or the other Transaction Documents;

(b) the subject matter or provisions of this Agreement or any other Transaction Document; or

(c) the other Parties.

17.2 Clause 17.1 shall not apply if and to the extent that:

(a) the disclosure is required by Law or Regulatory Requirement, or included in a voluntary self-disclosure to a Governmental Authority, or is required or requested by any supervisory, regulatory or governmental body having jurisdiction over the disclosing Party or a court of competent jurisdiction or any Tax Authority (including in connection with the Party's obligations, and those of its Intermediaries, under DAC6); or

(b) the relevant information was in the public domain before it was received by the disclosing Party, or after it was received by the disclosing Party, entered the public domain otherwise than as a result of a breach by the disclosing Party of clause 17.1, or a breach of a confidentiality obligation by the disclosing Party where the breach was known to the disclosing Party.

17.3 Where any confidential information (including that information described in clause 17.1) is considered privileged, the waiver of such privilege is limited to the purposes of this Agreement and will not, and is not intended to, result in any wider waiver of the privilege. Any Party in possession of any confidential information relating to any other Party (a "**privilege holder**") shall take all reasonable steps to protect the privilege of the privilege holder in respect of the same and shall inform the privilege holder if any step is taken by any other person to obtain any of its privileged confidential information.

18. **ASSIGNMENT**

18.1 This Agreement shall be binding upon and enure for the benefit of the successors to the Parties and, save as provided in clause 18.2, the Purchaser may not assign, transfer charge or deal in any way with the benefit of, or any of its rights under or interests in, this Agreement without the prior written consent of Comtrade, and neither Seller may assign, transfer, charge or deal in any way with the benefit of, or any of its rights under or interests in, this Agreement without the prior written consent of the Purchaser.

18.2 The Purchaser may at any time assign or transfer all or any part of its rights and benefits under this Agreement (including under the Warranties or the Specific Indemnities) and/or the Tax Deed (including under the Tax Warranties) to:

(a) any member of the Purchaser's Group (or by any such member to or in favour of any other member of the Purchaser's Group); or

(b) any person by way of security for any borrowings of the Purchaser's Group; or

(c) with the prior written consent of Comtrade (such consent not to be unreasonably withheld, delayed or conditioned), any other person,

provided that in each case the liability of each Seller under this Agreement and/or the Tax Deed as a result of such assignment shall not be greater than it would have been had no such assignment occurred.

18.3 The Purchaser shall notify Comtrade promptly following an assignment in accordance with this clause 18 with details of the relevant assignee.

19. **WHOLE AGREEMENT AND VARIATIONS**

19.1 This Agreement, together with any documents referred to in it (including the Transaction Documents), constitutes the whole agreement between the Parties relating to its subject matter and supersedes and extinguishes any prior drafts, agreements, and undertakings, whether in writing or oral form, relating to such subject matter, except to the extent that the same are repeated in this Agreement and the Purchaser has not entered into this Agreement (or any of the Transaction Documents) in reliance upon, and it will have no remedy in respect of, any representation or statement (whether made by a Seller or any other person and whether made to the Purchaser or any other person) which is not expressly set out in this Agreement or another Transaction Document. Nothing in this clause 19 will be interpreted or construed as limiting or excluding the liability of any person for fraud or fraudulent misrepresentation.

19.2 No variation of this Agreement will be effective unless it is in writing and signed by or on behalf of each of the Purchaser and the Comtrade Representative.

20. **AGREEMENT SURVIVES COMPLETION**

The Warranties, the Tax Warranties, the Tax Deed and all other provisions of this Agreement, in so far as they have not been performed at Completion, shall remain in full force and effect after Completion.

21. **RIGHTS ETC. CUMULATIVE AND OTHER MATTERS**

21.1 The rights, powers, privileges and remedies provided in this Agreement are cumulative and are not exclusive of any rights, powers, privileges or remedies provided by Law or otherwise provided that Comtrade's aggregate liability in respect of any claims under or in connection with this Agreement shall not exceed EUR 60,000,000 (*sixty million*).

21.2 No failure of any Party to exercise, nor any delay in exercising, any right, power, privilege or remedy under or in connection with this Agreement, shall in any way impair or affect or preclude the exercise of that right, power, privilege or remedy or operate as a waiver of the same, whether in whole or in part.

21.3 No single or partial exercise of any right, power, privilege or remedy, provided by Law or under this Agreement shall prevent any further or other exercise thereof or the exercise of any other right, power, privilege or remedy.

22. **FURTHER ASSURANCE**

Each Party shall, at the reasonable request of another Party (and to the extent not otherwise expressly provided for in this Agreement, at its own cost) promptly take any reasonable actions or use reasonable endeavours to procure the doing of all such reasonable acts and/or execute or use reasonable endeavours to procure the execution of such reasonable documents as another Party may reasonably require to transfer the Sale Shares to the Purchaser and to give full effect to this Agreement and the other Transaction Documents.

23. **INVALIDITY**

If any provision of this Agreement is held to be illegal, void, invalid or unenforceable under the Laws of any jurisdiction, the legality, validity and enforceability of the remainder of this Agreement in that jurisdiction shall not be affected, and the legality, validity and enforceability of the whole of this Agreement in any other jurisdiction shall not be affected.

24. **COMTRADE REPRESENTATIVE**

24.1 Comtrade Management appoints the Comtrade Representative to be its representative and Comtrade Management undertakes not to revoke the authority of the Comtrade Representative. If for any reason the Comtrade Representative ceases to act or ceases to be able to act in the capacity of representative, Comtrade Management or Comtrade (as applicable) shall promptly appoint a substitute and notify the Purchaser in writing of the substitute representative's name and address. Until the Purchaser receives such notification, it will be entitled to treat the Comtrade Representative as the representative of Comtrade Management for the purposes of this Agreement.

24.2 Comtrade Management hereby authorises the Comtrade Representative to:

(a) give any notice under or pursuant to this Agreement or any other Transaction Document on its behalf;

(b) sign any document which is required to be signed or delivered on its behalf;

(c) make or give any consent or agreement or direction or waiver on its behalf, which is required or contemplated by this Agreement or any other Transaction Document.

24.3 For the purposes of this Agreement and any other Transaction Document, any document or notice signed by and or delivered by, or decision, consent, agreement, direction or waiver given by the Comtrade Representative shall be deemed to have been duly made or given or signed or delivered (as the case may be) by Comtrade Management and shall be binding upon Comtrade Management.

25. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, which shall together constitute one agreement. Any Party may enter into this Agreement by signing any counterpart, all of which when duly executed will together constitute one and the same instrument.

26. **COSTS**

26.1 Save as otherwise expressly provided in this Agreement, each Party shall pay its own costs arising out of or in connection with the preparation, negotiation, execution and implementation of this Agreement and any other Transaction Document, and all other agreements forming part of the transactions contemplated by this Agreement.

27. **NOTICES**

27.1 Any notice or other communication required to be given under or in connection with this Agreement shall, unless otherwise specifically provided, be in writing in the English language and addressed to the recipient using the details set out in clause 27.4 below.

27.2 A communication shall be deemed to have been served:

(a) if delivered by email, at the time at which it left the e-mail gateway of the Party serving the notice (without such Party receiving a mail delivery failure notification as its system), provided that any communication served in respect of any claim under or in connection with this Agreement (including a Claim, an indemnity claim (including an Indemnity Claim) and a Fundamental Warranty Claim) is also delivered personally or by courier as soon as reasonably practicable thereafter and in any event within seven (7) calendar days of such email being served; or

(b) if sent by registered prepaid courier (or equivalent) to the address referred to in clause 27.4 below, at the expiration of two (2) Business Days after the time of posting (in which case, it will be sufficient for any Party to show that, in the case of a notice sent by courier, that it was delivered to a representative of the receiving party).

27.3 If a communication would otherwise be deemed to have been delivered outside normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day), it shall be deemed to have been delivered at the next opening of such business hours in the territory of the recipient.

27.4 Any notice given to any Party shall be sent to the address of the relevant Party set out below:

For Comtrade and Comtrade Management:

Name: CT Management and Consulting Services d.o.o.

Address: Savski nasip 7, 11000 Belgrade, Serbia

For the Attention of: Gordana Simiæ, CLO

E-mail address: [***]

Copy to: Terry Curtis and Radomir Radovanovic

Address: Savski nasip 7, 11000 Belgrade, Serbia

E-mail address: [***] and [***]

Copy to: Watson Farley & Williams LLP (F.A.O. Christina Howard (Ref: [***]))

Address: 15 Appold Street, London EC2A 2HB

E-mail address: [***]

For the Purchaser:

Name: Endava (UK) Limited

For the attention of: Rohit Bhoothalingam

Address: 125 Old Broad Street, London, EC2N 1AR United Kingdom

E-mail address: [***]

Copy to: Phillip Gustafson

Address: 125 Old Broad Street, London, EC2N 1AR United Kingdom

E-mail address: [***]

27.5 Any notice or communication made by the Purchaser to the address set out in clause 27.4 in accordance with this clause 27 shall be deemed to be a notice or communication that has effectively been served on the Sellers.

27.6 Any Party must notify the other Parties of any change to its address or other details specified or referred to in clause 27.4 above, provided that the notification shall only be effective on the date specified in the notice or five (5) Business Days after the notice is given, whichever is later.

27.7 This clause 27 does not apply to the service of proceedings or other documents in any judicial proceeding.

27.8 Reference in this clause 27 to times of the day are to those times in the location of receipt.

28. **THIRD PARTY RIGHTS**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms, except that any Purchaser Group Company and any Group Representative will be entitled to enforce the terms and will have the benefit of clause 10.4 and those provisions in this Agreement which are otherwise stated to be for their benefit, but this Agreement may be amended or varied by the Parties in any way, or terminated, in accordance with its terms without any such person's consent.

29. **PROCESS AGENT**

Comtrade (on behalf of itself and Comtrade Management) irrevocably appoints WFW Legal Services Limited of 15 Appold Street, London EC2A 2HB as its agent to receive and acknowledge on its behalf service of any proceedings in England and Wales arising out of or in connection with this Agreement or any other Transaction Document and undertakes not to revoke the authority of such agent. Such service will be deemed completed on delivery to that agent (whether or not it is forwarded to and received by its principal). If for any reason such agent ceases to be able to act as agent or no longer has an address in England and Wales, Comtrade will immediately appoint a substitute and notify the Purchaser in writing of the substitute agent's name and address in England and Wales. Until the Purchaser receives such notification, it will be entitled to treat the agent named above as the agent of each of Comtrade and Comtrade Management for the purposes of this clause 29.

30. **LAW AND JURISDICTION**

30.1 This Agreement and any non-contractual obligations arising from or in connection with it shall be governed by English law and this Agreement shall be construed in accordance with English law.

30.2 In relation to any legal action or proceedings arising out of or in connection with this Agreement (whether arising out of or in connection with contractual or non-contractual obligations) ("**Proceedings**"), each of the Parties irrevocably submits to the exclusive jurisdiction of the English courts and waives any objection to Proceedings in such courts on the grounds of venue or on the grounds that the Proceedings have been brought in an inappropriate forum.

IN WITNESS of which this Agreement has been entered into by the Parties as a deed and has been delivered as a deed on the date first written above.

Schedule 1
The Sellers

Part A: CDS Slovenia

Names and addresses of Sellers	Share identification details	Nominal amount of shares (EUR)	Relevant proportion
Comtrade Group B.V.	Business share (poslovni delež) no. 276836	297.180,00	99.06%
Comtrade Solutions Management holdinška družba d.o.o.	Business share (poslovni delež) no. 276835	2.820,00	0.94%
TOTAL:		300,000	100%

Part B: CDS Serbia

Name and address of Seller	Percentage of CDS Serbia Shares held	Aggregate share capital held (RSD)	Relevant Proportion
Comtrade Group B.V.	100%	120,000	100%
TOTAL:		120,000	100%

Schedule 2
The Companies

Part A: CDS Slovenia

Name:	Comtrade CDS, digitalne storitve, d.o.o.
Number:	8646392000
Date of Incorporation:	1 June 2020
Place of Incorporation:	Ljubljana, Slovenia
Registered Office:	Letališka cesta 29B, 1000 Ljubljana, Slovenia
Type of company:	Limited liability company (družba z omejeno odgovornostjo)
Issued Capital:	EUR 300,000
Shareholders:	Comtrade Group B.V. (99.06%) Comtrade Solutions Management holdinška družba d.o.o. (00.94%)
Directors:	**[***]**
Continuing Directors:	**[***]**
Secretary:	**[***]**
Accounting Reference Date:	**[***]**
Auditors:	**[***]**

Part B: CDS Serbia

Name:	Comtrade Digital Services d.o.o. Beograd
Number:	21559784
Date of Incorporation:	24 February 2020
Place of Incorporation:	Belgrade, Serbia
Registered Office:	Savski Nasip 7, 11000 Belgrade
Type of company:	Limited liability company (društvo sa ograniènenom odgovornošæu)
Issued Capital:	RSD 120,000
Shareholders:	Comtrade Group B.V. (100%)
Directors:	**[***]**
Continuing Directors:	**[***]**
Secretary:	**[***]**
Accounting Reference Date:	**[***]**
Auditors:	**[***]**

Part C: CDS Slovenia Subsidiaries

Name:	**Comtrade Digital Services Limited**
Number:	346571
Date of Incorporation:	13 August 2001
Place of Incorporation:	Dublin, Ireland
Registered Office:	10 Earlsfort Terrace Dublin 2 D02T380
Type of company:	Ltd - Private Company Limited By Shares
Issued Capital:	2,100,000 ordinary shares
Shareholders:	Comtrade CDS, digitalne storitve, d.o.o.
Directors:	**[***]**
Continuing Directors:	[***]
Secretary:	[***]
Continuing Secretary	[***]
Accounting Reference Date:	[***]
Auditors:	[***]

Name:	**Comtrade Software Solutions GmbH, Germany**
Number:	HRB 185946
Date of Incorporation:	22 November 2000
Place of Incorporation:	Munich, Germany
Registered Office:	Oberföhringer Straße 24b, c/o Steuerkanzlei Andreas Heckler, 81925 Munich
Type of company:	Limited liability company (Gesellschaft mit beschränkter Haftung)
Issued Capital:	EUR 25,000
Shareholders:	Comtrade CDS, digitalne storitve, d.o.o., Ljubljana, Slovenia
Director:	[***]
Continuing Directors:	**[***]**
Secretary:	**[***]**
Accounting Reference Date:	[***]
Auditors:	[***]

Name:	**Comtrade GmbH**
Number:	FN 257665w
Date of Incorporation:	27 January 2005
Place of Incorporation:	Vienna, Austria
Registered Office:	Millenium Tower, 23rd floor, Handelskai 94-96, AT-1200 Vienna
Type of company:	Limited liability company (Gesellschaft mit beschränkter Haftung)
Issued Capital:	EUR 35,000
Shareholders:	Comtrade CDS, digitalne storitve d.o.o., Ljubljana
Director:	[***]
Continuing Directors:	**[***]**
Secretary:	**[***]**
Accounting Reference Date:	[***]
Auditors:	[***]

Name:	**Comtrade USA West Inc.**
Number:	C2111690
Date of Incorporation:	18 June 1998
Place of Incorporation:	California, USA
Registered Office:	42840 CHRISTY ST, STE 226, FREMONT, CA 94538
Type of company:	Domestic Stock Corporation
Issued Capital:	100 shares, 0.01 par value
Shareholders:	Comtrade CDS, digitalne storitve, d.o.o.
Directors:	[***]
Continuing Directors:	**[***]**
Secretary:	[***]
Accounting Reference Date:	[***]
Auditors:	[***]

Name:	**Comtrade d.o.o. Sarajevo**
Number:	65-01.1252-09
Date of Incorporation:	26 January 1996 (as Hermes Soft Lab)
Place of Incorporation:	Sarajevo, Bosnia and Herzegovina
Registered Office:	Džemala Bijediæa no.179, 71000 Sarajevo
Type of company:	Limited liability company (društvo sa ogranièenom odgovornošæu)
Issued Capital:	KM 5,000
Shareholders:	Comtrade CDS, digitalne stvoritve d.o.o. Ljubljana, Slovenia
Directors:	[***]
Continuing Directors:	[***]
Secretary:	**[***]**
Accounting Reference Date:	[***]
Auditors:	[***]

Name:	**Comtrade d.o.o. Banja Luka**
Number:	1-15732-00
Date of Incorporation:	3 November 2006 (as Hermes Soft Lab d.o.o. Banja Luka)
Place of Incorporation:	Banja Luka, Bosnia and Herzegovina
Registered Office:	I Krajiškog korpusa no. 39, 78000 Banja Luka
Type of company:	Limited liability company (društvo sa ogranièenom odgovornošæu)
Issued Capital:	KM 2,000
Shareholders:	Comtrade CDS, digitalne stvoritve d.o.o. Ljubljana, Slovenia
Director:	[***]
Continuing Directors:	[***]
Secretary:	**[***]**
Accounting Reference Date:	[***]
Auditors:	[***]

Schedule 3
Completion

Documents

1. On the Completion Date, the Sellers shall deliver to the Purchaser (or otherwise make available to the Purchaser):

1.1 a deed for the transfer of the CDS Slovenia Shares from the Sellers to the Purchaser duly executed by the Sellers in the Agreed Form (the "**Slovenian Transfer Deed**") before a Slovenian Notary Public;

1.2 a deed for the transfer of the CDS Serbia Shares from Comtrade to the Purchaser duly executed by Comtrade in the Agreed Form (the "**Serbian Transfer Deed**") before a Serbian Notary Public;

1.3 the Deed of Waiver duly executed by CDS Slovenia;

1.4 a copy of any power of attorney under which this Agreement or any other Transaction Document has been executed by the Sellers, or evidence that is satisfactory to the Purchaser of the authority of any person signing on behalf of either of the Sellers;

1.5 share certificate(s) in respect of all the issued shares in the capital of CDS USA and CDS Ireland or indemnities in respect of any lost share certificates in Agreed Form;

1.6 good standing certificates for CDS USA from the California Secretary of State and Franchise Tax Board and Nevada Secretary of State dated 7 August 2020;

1.7 to the extent not already provided:

(a) copies of the Business Transfer Agreements duly executed by the parties thereto;

(b) copies of the mutual termination agreements and new employment contracts, in each case relating to and duly executed by the CDS Serbia Employees and described at Schedule 14;

(c) copies of the Banja Luka Carve-out Agreements duly executed by the parties thereto;

(d) copies of the Sarajevo Carve-out Agreements duly executed by the parties thereto;

(e) copies of the mutual termination agreements and new employment contracts, in each case relating to and duly executed by the Banja Luka Employees and described at Schedule 14;

(f) copies of the mutual termination agreements and new employment contracts, in each relating to and duly executed by the Sarajevo Employees and described at Schedule 14;

(g) copies of each of the Intra-Group Termination Agreements duly executed by the parties thereto;

(h) copies of each of the Intra-Group Agreements duly executed by the parties thereto;

(i) copies of the Completion Leases duly executed by the parties thereto;

(j) copies of each of the New CDS Intra-Group Agreements duly executed by the parties thereto;

(k) a copy of the Termination Agreement duly executed by the parties thereto; and

(l) copies of the insurance policies concluded with Triglav in respect of CDS Slovenia;

1.8 a statement from each of the banks at which each Group Company maintains an account of the amount standing to the credit or debit of all such accounts as at the close of business one (1) Business Day before the Effective Time;

1.9 the written resignations in the Agreed Form of the following directors, company secretary and procurators from their respective offices at the relevant Group Companies as detailed below:

[***];

1.10 mutual termination agreements in the Agreed Form related to service agreements pursuant to which [***] provides services to each of (i) CDS Slovenia and (ii) CDS Serbia, in each case duly executed by [***] and Comtrade;

1.11 mutual termination agreement in the Agreed Form related to a service agreement pursuant to which [***] provides services to CDS Germany duly executed by [***] and CDS Slovenia;

1.12 copies of the relevant filings made with the European Union Intellectual Property Office to prove registration of the transfer of title to CDS Slovenia of the CDS Trademarks;

1.13 the Austrian Employee Side Letter duly executed by Comtrade;

1.14 the Disclosure Letter duly executed by Comtrade;

1.15 the Tax Deed duly executed by Comtrade;

1.16 the TSA duly executed by Comtrade; and

1.17 the Data Sharing Agreement duly executed by Comtrade.

Approvals

2. Comtrade shall:

2.1 cause a shareholders' resolution of CDS Slovenia to be passed (the "**CDS Shareholders' Slovenia Resolution**") pursuant to which, and subject to Completion, the transfers of the CDS Slovenia Shares to the Purchaser in accordance with the articles of association of CDS Slovenia shall be approved;

2.2 cause a shareholder's resolution of CDS Serbia to be passed pursuant to which, subject to Completion, the transfers of the CDS Serbia Shares to the Purchaser in accordance with the articles of association of CDS Serbia shall be approved;

2.3 cause a shareholder's resolution of CDS Serbia to be passed to which, subject to Completion, the resignation of [***] from his position as director of the board, and appointment of [***] as director to the board, shall be approved (the resolutions specified in paragraphs 2.2 and 2.3, together, the "**CDS Serbia Shareholders' Resolutions**");

2.4 cause a shareholders' meeting of Comtrade to be held at which, subject to Completion, a resolution shall be passed to approve:

(a) the transfer of the Sale Shares to the Purchaser; and

(b) entry into and performance of Comtrade's obligations under this Agreement and the other Transaction Documents;

2.5 cause a shareholder resolution of Comtrade Management to be passed, subject to Completion, to approve:

(a) the transfer of the CDS Slovenia Shares (that are held by Comtrade Management) to the Purchaser; and

(b) entry into and performance of Comtrade Management's obligations under this Agreement and the other Transaction Documents;

2.6 cause a board meeting of CDS Ireland to be held at which, subject to Completion, a resolution shall be passed to approve:

(a) the resignation of each of (i) [***] and (ii) [***] each in their capacities as directors and of [***] in his capacity as secretary from the board; and

(b) appointment of [***] to the board; and

2.7 deliver to the Purchaser on Completion:

(a) originals of the CDS Serbia Shareholders' Resolutions and CDS Slovenia Shareholders' Resolution;

(b) copies of the duly signed minutes of the meetings and resolutions of Comtrade, Comtrade Management and CDS Ireland passed as specified in paragraphs 2.4, 2.5, and 2.6;

(c) a signed print-out of the e-mails pursuant to which the Sellers (in their capacity as shareholders of CDS Slovenia) have notified the management of CDS Slovenia of their respective votes on the resolutions approved pursuant to the CDS Slovenia Shareholders' Resolution;

(d) a written consent from CDS Slovenia to approve (i) the resignation of each (1) [***] and (2) [***] from the board of CDS USA; and (ii) appointment of [***] to the board of CDS USA;

(e) a copy of the German Resignation Letter countersigned by CDS Slovenia; and

(f) a copy of the relevant consent from the landlord of the following Properties in respect of the transfer of the relevant sub-leases to the Purchaser or a Group Company:

(1) Ljubljana, Slovenia, at Vošnjakova 9, Ljubljana;

(2) Ljubljana, Slovenia at Dunajska 144, Ljubljana;

(3) Èaèak, Serbia at Kneza Miloša 1B;

(4) Banja Luka, Bosnia and Herzegovina at I Krajiškog korpusa 39 Banja Luka, Bosnia and Herczegovina, 3rd and 4th floor; and

(5) Beograd, Serbia at Bulevar Mihajla Pupina 10ž, Beograd.

Filings and Other Post Completion Requirements

3. As soon as possible following Completion:

3.1 the Purchaser shall or shall procure that:

(a) an application is made for, and shall arrange for the following to be filed at the Business Entities Registry held with Business Registers Agency, to register the transfer of the CDS Serbia Shares in the name of the Purchaser:

(1) the Serbian Transfer Deed; and

(2) original excerpt from the relevant register of the Purchaser, duly apostilled and together with a translation into Serbian; and

(b) the Slovenian Transfer Deed is filed at the relevant registry in Slovenia to register the transfer of the CDS Slovenia Shares in the name of the Purchaser;

3.2 Comtrade shall or shall procure that:

(a) an original of the German Resignation Letter countersigned by [***] and CDS Slovenia is delivered to Akin Gump's offices in Frankfurt for the attention of Dr. Markus Käppler at OpernTurm, Bockenheimer Landstraße, 2-4 60306 Frankfurt/Main, Germany;

(b) within ten (10) Business Days after the Completion Date, a copy of the Data Room in electronic form is made available to the Purchaser and each of the Purchaser's Solicitors; and

(c) a copy of the written consent from the Slovenian Ministry of Public Administration in respect of the transfer of the [***] to Comtrade (or another Seller Group Company) is provided to the Purchaser; and

3.3 the Purchaser shall use its best efforts to procure that as soon as reasonably practicable and within ten (10) Business Days and, in any event, the Purchaser shall procure that within thirty (30) days after the Completion Date, the Purchaser Bank Guarantee is entered into by the parties thereto and delivered to Comtrade.

Schedule 4
Warranties

1. **Interpretation**

1.1 In this Schedule 4, the following terms have the following meanings:

"**Anti-Corruption Laws**" means the UK Bribery Act 2010, the United States Foreign Corrupt Practices Act of 1977 and any related or similar Laws issued, administered or enforced by any Governmental Authority concerning or relating to bribery or corruption (governmental or commercial), which apply to the business and dealings of the Parties, their subsidiaries and/or the CDS Group Companies and their respective Representatives, including any Laws or regulations of any such Governmental Authority that prohibit the corrupt or inappropriate payment, offer, promise, or authorisation of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official or any other person to obtain an improper business advantage, in each case, as amended from time to time;

"**Authorisation**" means any licence, consent, permit, approval or other authorisation, whether public or private;

"**Business Assets**" means all the property, rights, assets, agreements or other commitments of the CDS Group, which relate principally to the Business, or which are required for the operation of the Business as it is carried on at the date of this Agreement, including the benefit of all Business Contracts, the benefit of all IT Contracts, the Personal IT Systems and Intellectual Property Rights which relate principally to the Business, the Commercial Information and any records which relate principally to the Business and, for the avoidance of doubt, the Business Assets shall not include (i) any Excluded Asset or (ii) any assets or services provided to, or made available to, the Purchaser or any member of the Purchaser's Group (including the Group Companies) pursuant to or in connection with the TSA and/or the Data Sharing Agreement;

"**Business Contracts**" means all contracts, undertakings, agreements and arrangements entered into by, or on behalf of, a CDS Group Company or the benefit of which has been assigned to a CDS Group Company, which relate principally to the Business (including the Material Contracts) and which remain to be performed (either in whole or part) at the date of this Agreement;

"**Carved-out Assets and Commitments**" has the meaning given in paragraph 7.1 of Part A of this Schedule 4;

"**Carved-out Employees**" has the meaning given in paragraph 11.2 of Part D of this Schedule 4;

"**COVID Grant**" has the meaning given to it in paragraph 11.13 of Part A of this Schedule 4;

"**Environment**" means any and all organisms (including man), ecosystems, property and the following media:

i. air (including the air within buildings and the air within other natural or man-made structures, whether above or below ground);

ii. water (including water under or within land or in drains or sewers and coastal and inland waters); and

iii. land (including land under water);

"**Environmental Law**" means all or any Laws, and any relevant code of practice, guidance, note, standard or other advisory material issued by any Governmental Authority which from time to time relates to the protection of human health or safety or the environment or natural resources or the generation, use, management, transportation, storage, treatment or disposal of Hazardous Material;

"**Environmental Liability**" means liability on the part of any Comtrade Group Company and/or any of its employees, directors or officers or shareholders under Environmental Laws;

"**Excluded Assets**" means (i) any Licensed Assets, (ii) any real estate owned or used by any CDS Group Company and any utilities (other than the benefit of any lease agreement to which a Group Company is a party), (iii) any IT Systems to the extent that such IT Systems are not Personal IT Systems and (iv) Commercial Information to the extent that this information is owned by a party other than a CDS Group Company;

"**Export Control Laws**" means the U.S. Export Administration Regulations, International Traffic in Arms Regulations, Council Regulation (EC) No. 428/2009, the UK Export Control Act 2002, the UK Export Control Order 2008, security rules and regulations issued by any Governmental Authority with jurisdiction over the Parties, their subsidiaries and/or the CDS Group Companies and any related or similar export control or security Laws issued, administered or enforced

by any Governmental Authority with jurisdiction over the Parties and/or the Group Companies, in each case, as amended from time to time;

"**Government Official**" means: (i) any minister, civil servant, director, officer, employee or representative of, or any person acting in an official capacity for or on behalf of, any Governmental Authority; (ii) any political party or party official or candidate for political office; (iii) a Politically Exposed Person as defined by the Financial Action Task Force; or (iv) any official, officer, employee, or representative of a company, business, enterprise, person or other entity owned, in whole or in part, or controlled by any Governmental Authority;

"**Hazardous Matter**" means any substance, material, liquid, solid, gas or other matter, radiation, electricity, heat, vibration or noise that, alone or in combination, is an actual or likely cause of or is otherwise capable of causing harm or is regulated under Environmental Laws;

"**Health and Safety Laws**" means any and all Laws concerning health and safety matters and any and all regulations or orders made or issued under any such Laws and any relevant codes of practice, guidance notes and the like issued by Governmental Authorities;

"**Intra-Group Agreements**" means the Intra-Group Agreements listed in Schedule 13;

"**IT Contracts**" means any agreements, licences or other contractual arrangements entered into by the CDS Group with third parties relating to IT services which relate principally to the Business, including licences of all software, leases of hardware and other agreements relating to the procurement of IT services but excluding any IT Systems;

"**IT Systems**" means all computer programs (in both source and object code form), computer hardware and peripherals, telecommunications and network equipment;

"**Key Customer or Supplier**" means the key customers and suppliers to the Business listed in Schedule 12;

"**Key Managers**" means those persons named in Appendix 6 of the TSA being those persons who provide "Central Functions" (as that term is defined in the TSA) in connection with the Business;

"**Lease**" means in relation to any Property, the lease under which the Property is held by a Group Company;

"**Licensed Assets**" means all property, rights or assets that are licensed by a third party to the Seller Group and are used by any CDS Group Company in connection with the Business, including Microsoft Office and Microsoft toolkit licences;

"**Material Contracts**" means any contract, agreement or arrangement with a Key Customer or Supplier which relates to the Business;

"**Material Counterparty**" has the meaning given to it in paragraph 16.2(a) of Part A of this Schedule 4;

"**Permits**" means any and all licences, consents, permits, registrations, filings, exemptions, approvals or authorisations, made or issued pursuant to or under, or required by, Law in relation to the lawful use or occupation of the Properties and the carrying on of the Business as carried on at the date of this Agreement;

"**Personal IT Systems**" means all laptops, keyboards, computer screens and other forms of personal IT equipment used by the Employees and Workers in performing the Business;

"**Procurement Agreements**" means those Business Contracts which are subject to public procurement legislation (including Slovenian Public Procurement Act (Zakon o javnem naroèanju - ZJN-3), Official Gazzette of the Republic of Slovenia, no. 91/2015, and Serbian Public Procurement Act (Zakon o javnim nabavkama) as amended from time to time et seq.);

"**Policies**" has the meaning given in paragraph 22.2 of Part A of this Schedule 4; and

"**Statement Date**" has the meaning given in paragraph 11.6 of Part A of this Schedule 4.

Part A: General Warranties

1. **Information**

1.1 The information set out in Schedule 1 (*The Sellers*) and Schedule 2 (*The Companies*) is true and accurate and the information set out in Schedule 8 (*Properties*), Schedule 9 (*Intellectual Property*), Schedule 10 (*Domain Names*) and Schedule 11 (*Guarantees*) is true and accurate in all material respects.

2. **Capacity and Authority**

2.1 Each Seller has the requisite power and authority to enter into and perform its obligations under this Agreement and each of the other Transaction Documents to which a Seller is a party in accordance with their respective terms, and this Agreement and each of the other Transaction Documents to which it is a party constitutes or will, when executed, constitute valid and binding obligations enforceable against each Seller in accordance with their respective terms.

2.2 Each Seller has obtained all necessary corporate and other consents and approvals required to execute and deliver and to perform its obligations under this Agreement and each other Transaction Document to which it is a party.

2.3 The execution and delivery of, and performance by, each Seller of this Agreement and each of the other Transaction Documents to which it is a party, and compliance with their respective terms, will not breach or constitute a default:

(a) under its constitutional documents;

(b) of any instrument, contract or other agreement to which either Seller is a party or by which it is bound;

(c) of any Law or Regulatory Requirement applicable to it; or

(d) of any order, judgment or decree by any Governmental Authority, to which either Seller is bound.

3. **The Group**

3.1 Each Group Company has been duly registered, has a certificate of incorporation, and is validly existing under the Laws of the jurisdiction of its incorporation as set out in the relevant table pertaining to each Group Company in Schedule 2.

3.2 A copy of the constitutional documents of each Group Company has been provided in the PC Data Room and such copy is complete, true, accurate in all material respects and is up to date.

3.3 Each Comtrade Group Company has at all times carried on its business and affairs to the extent that such business and affairs relate principally to the Business in all material respects in accordance with its constitutional documents and none of its activities is ultra vires.

3.4 The statutory books (or equivalent documents) (including all registers and minute books) and records of each Group Company have been properly maintained in accordance with the relevant Laws as they apply to each Group Company, are in the possession or control of the relevant Group Company, are up to date (but not including the date of this Agreement) and comprise a complete and accurate record in all material respects of all information required to be recorded in them.

3.5 No Group Company has received any notice or allegation that any of its statutory books (or equivalent documents) or other records that it is required by applicable Law to keep and maintain are incorrect or should be rectified and, so far as Comtrade is aware, there are no circumstances which might reasonably be expected to lead to any such notice or allegation being served on a Group Company.

3.6 All accounting and financial records of each Group Company are in the possession or control of the relevant Group Company, have been properly maintained, are up to date and comprise a complete and accurate record in all material respects of all information required to be recorded in them under applicable Laws.

3.7 All returns, particulars, resolutions and other documents required under the relevant Laws as they apply to each Group Company to be filed with, or delivered by, each Group Company to the relevant registrar of companies or any other equivalent authority in the relevant jurisdiction of incorporation of a Group Company, have been properly prepared and duly filed or delivered in all material respects and no Group Company has received written notification of the levy of any fine or penalty for non-compliance by a Group Company in relation thereto.

3.8 All Encumbrances granted to or by any Group Company have been registered in accordance with all necessary formalities as to registration in accordance with the relevant Laws as they apply to each Group Company.

3.9 Save for those Company Assets that Comtrade is holding on trust for the Group and to be transferred to the Group pursuant to clause 13.6, clause 13.10(b) and clause 13.10(c):

(a) the Group Companies are the sole legal and beneficial owners of the Business Assets free from all Encumbrances and together with the benefit of all rights that attach to such Business Assets, save for those vehicles held under lease agreements details of which are set out at Schedule 15;

(b) the Business Assets are in the possession or control of the Group;

(c) the Group Companies are the only companies within the Comtrade Group that operate or carry on the Business as at the date of this Agreement; and

(d) no person other than a Group Company owns or otherwise controls any of the Business Assets or any part of a Business Asset.

3.10 The CDS Group Companies are the only companies within the Comtrade Group that, as at the date of this Agreement or since 1 January 2018 have operated or carried on the "CDS business" of (a) providing software engineering services or teams to any third party (in any elements of the IT system/product lifecycle processes including ideation, architecture, design, UI/UX, IoT, software build, development, testing, implementation, hosting, operation, support or any other aspect of the software development lifecycle of any IT system or product); and (b) implementing and developing Omni channel digital banking solutions in each case as carried on by the CDS Group;

3.11 The only Business Assets which are held under any hire or leasing agreement are (in addition to those vehicles to be transferred pursuant to clause 13.10(c)) nineteen (19) vehicles (details of which are set out in Schedule 15) held pursuant to lease agreements concluded with the Group Companies, and no other Business Asset is subject to the terms of any hire purchase agreement, leasing agreement, credit sale agreement or agreement for payment on deferred terms.

3.12 The Companies do not control or take part in the management of any company or business organisation (other than the CDS Slovenia Subsidiaries).

3.13 No Group Company has any branch, place of business or permanent establishment outside its jurisdiction of incorporation.

3.14 The only directors of each Group Company are those listed in respect of each Group Company in the relevant table set out in Schedule 2, and no person is a shadow director or an alternate or de facto director of any Group Company.

3.15 No Group Company uses on its letterhead, books or vehicles, or otherwise carries on its business under, any name other than its corporate name.

4. **Share Capital**

4.1 Comtrade is the registered sole legal and beneficial owner of 100% of the issued and allotted share capital of CDS Serbia and has the right to transfer the legal and beneficial title to those Sale Shares free from any Encumbrances and with all rights attaching to them.

4.2 Comtrade is the registered sole legal and beneficial owner of the number of CDS Slovenia Shares set out against its name in Part A of Schedule 1 and has the right to transfer the legal and beneficial title to those Sale Shares free from any Encumbrances and with all rights attaching to them.

4.3 Comtrade Management is the registered sole legal and beneficial owner of the number of CDS Slovenia Shares set out against its name in Part A of Schedule 1 and has the right to transfer the legal and beneficial title to those Sale Shares free from any Encumbrances and with all rights attaching to them.

4.4 Neither Seller is engaged in any dispute concerning the title of either Seller to the Sale Shares set out against that Seller's name in Schedule 1 or that Seller's ability to sell the same and neither Seller has received written notice or any other claim from another person claiming to have title to, or to be entitled to, any interest in such Sale Shares, and so far as Comtrade is aware, there are no circumstances which would give rise to any of the matters referred to in this paragraph 4.4.

4.5 Neither Seller is engaged in any litigation, arbitration or other legal proceedings in any way relating to such Seller's title to the Sale Shares set out against that Seller's name in Schedule 1. So far as Comtrade is aware, there are no circumstances which would give rise to any of the matters referred to in this paragraph 4.5.

4.6 CDS Slovenia is the sole legal and beneficial owner of the entire allotted and issued share capital of each CDS Slovenia Subsidiary, free and clear from all Encumbrances and with all rights attaching to them.

4.7 The Sale Shares and the entire allotted and issued share capital of each CDS Slovenia Subsidiary are validly allotted or issued and fully paid or credited as fully paid.

4.8 The Sale Shares constitute the whole of the allotted and issued share capital of CDS Slovenia and CDS Serbia.

4.9 No Encumbrance has been granted to any person or otherwise exists affecting (a) the Sale Shares or any issued shares of the CDS Slovenia Subsidiaries, or (b) any unissued shares, debentures or other unissued securities of any Group Company and no person has the right (exercisable now or in the future and whether contingent or not) to call for the issue or allotment of any share or loan capital of any Group Company.

4.10 No Group Company is or has agreed to become:

(a) the holder (legally or beneficially) of any shares, debentures or other securities of any other body corporate (whether incorporated in Serbia, Slovenia or elsewhere) other than the shares in the CDS Slovenia Subsidiaries listed in Schedule 2;

(b) a subsidiary of any other body corporate or controlled by any group of bodies corporate or consortium; or

(c) a member of any partnership, joint venture (other than JV Mobility and ESP BH), consortium or other unincorporated association (other than recognized trade associations).

4.11 CT SA holds a direct five per. cent (5%) interest in the joint venture ESP BH, and CDS Slovenia holds a direct fifty per. cent (50%) interest in the joint venture JV Mobility.

4.12 No Group Company has any subsidiaries or subsidiary undertakings (other than the CDS Slovenia Subsidiaries).

4.13 No CDS Group Company has at any time in the last twelve (12) months repaid, redeemed or purchased any of its own shares or otherwise reduced its issued share capital.

4.14 No CDS Group Company has given any financial assistance in contravention of any applicable Regulatory Requirement.

4.15 All dividends and distributions declared, made or paid by any Group Company have been declared, made or paid in accordance with all statutory requirements as they apply to such Group Company and the constitutional documents of the relevant Group Company and all dividends declared or due in respect of the Sale Shares have been paid in full.

4.16 CT SA has duly paid-in the subscribed share capital of ESP BH due as at 9 July 2019.

4.17 There are no due or unsettled or contingent liabilities between CT SA and ESP BH based on or deriving from their shareholding relationship or otherwise.

4.18 The merger notification in connection with incorporation of JV Mobility was filed on 1 June 2020. JV Mobility was not operational before 1 June 2020 and did not hold the assets (including rights to relevant Intellectual Property Rights) prior to 1 June 2020 required to operate the business of JV Mobility.

5. **Demerger**

5.1 The Demerger has been carried out in compliance in all material respects with applicable Laws in force at the time.

5.2 Save for those Company Assets that Comtrade is holding on trust for the Group and to be transferred to the Group pursuant to clause 13.6, clause 13.10(b) and clause 13.10(c), all material property, rights and assets of CT SLO used or required for the operation of the Business as at the date of the Demerger have been transferred to CDS Slovenia pursuant to the Demerger.

5.3 All property, rights and assets (including non-Slovenian assets) allocated to CDS Slovenia under the Demerger Plan have been transferred to CDS Slovenia in accordance with the Demerger Plan, and CDS Slovenia is the sole legal and beneficial owner of such property, rights and assets.

5.4 The change of shareholder of the CDS Slovenia Subsidiaries to CDS Slovenia caused by operation of law as a result of the Demerger has been duly implemented in respect of each CDS Slovenia Subsidiary and in each case has been implemented in accordance with the constitutional documents of the relevant CDS Slovenia Subsidiary, and such change

of shareholder has been registered with the relevant competent authorities, in each case in accordance with all applicable Laws.

5.5 All waivers, consents, clearances or filings of any Governmental Authority necessary for the implementation of the Demerger have been obtained.

5.6 The implementation of the Demerger does not violate any provision of, and does not result in any material breach of or the acceleration of the terms of, any permit, licence, contract, agreement or commitment to which CDS Slovenia or any of its Affiliates is a party or is bound or by which any of its material assets are affected.

5.7 No claims in connection with, or related to, the Demerger have been lodged or threatened (in writing) against Comtrade Group Company (including the Demerger Companies) or, so far as Comtrade is aware, against their respective directors, managers, officers and employees.

5.8 CDS Slovenia has no outstanding obligations towards Comtrade, Comtrade Management, CT SLO, RE Newco or any other Seller Group Company with respect to the Demerger.

5.9 No Encumbrances or third party rights over the shares of Comtrade, CT SLO, RE Newco (or any other Seller Group Company) have passed to the CDS Slovenia Shares as a result of the Demerger.

5.10 All of the material debtors of CT SLO have been notified of the Demerger and the identity of the relevant Demerger Company to which their obligation has been allocated under the Demerger Plan and, as of the Demerger Registration Date, no debtor has fulfilled any such obligation due to CDS Slovenia under the Demerger Plan to any other Demerger Company (or any other CDS Group Company), without the benefit of such fulfilment of the obligation being promptly, in full and without any costs, transferred to CDS Slovenia.

5.11 All of the material creditors of CT SLO have been notified of the Demerger and the relevant Demerger Company to which their claim has been allocated under the Demerger Plan and, as of the Demerger Registration Date, no creditor has received from CDS Slovenia fulfilment of any such claim owed by any other Demerger Company (or any other CDS Group Company), without the benefit of such fulfilment of the claim being promptly, in full and without any costs, returned to CDS Slovenia.

5.12 No creditor of CT SLO has requested or received security for any of its claims against CT SLO with respect to the Demerger.

5.13 No holder of special rights has requested or received any monetary compensation in connection with or related to the Demerger, including under provisions of Article 636(2) and Article 593 of the Slovenian Companies Act.

5.14 No Group Company is a party to, or bound by, any intra-group transaction other than the Intra-Group Agreements.

5.15 The Intra-Group Agreements have been concluded on market standard terms and conditions and on an arms' length basis and are legally valid and existing.

6. **Business Transfer**

6.1 The Business Transfer has been carried out in compliance in all material respects with applicable Laws.

6.2 Save for those Company Assets that Comtrade is holding on trust for the Group and to be transferred to the Group pursuant to clause 13.6, clause 13.10(b) and 13.10(c), all property, rights and assets of CT SE used or required for the operation of the Business as at the date of the Business Transfer have been transferred to CDS Serbia.

6.3 There are no contingent or existing liabilities pertaining to any part of the Business transferred from CT SE to CDS Serbia, pursuant to the Business Transfer.

6.4 A list of the physical Business Assets transferred to CDS Serbia pursuant to the Business Transfer is attached to the Disclosure Letter.

6.5 There is no litigation, proceedings (including court, arbitration, administrative, enforcement, tax or criminal proceedings), investigation or asserted claim pending or notified or threatened relating to or against CT SE or CDS Serbia with respect to any part of the Business transferred pursuant to the Business Transfer. So far as Comtrade is aware, there is no fact or circumstance which would give rise to any such litigation, proceedings, investigation or asserted claim against CT SE or CDS Serbia.

6.6 CT SE and CDS Serbia have not issued any securities or granted any other Encumbrances over their shares or assets, to or for the benefit of: (i) any of the Seller Group Companies, their shareholders or their Affiliates; or (ii) any other person, whether in relation to the Business Transfer, or in order to secure any payables of CT SE or CDS Serbia or any receivables of third parties against any of the Seller Group Companies, their shareholders or Affiliates, or otherwise.

7. **Carve-out**

7.1 Save for those Carved-out Assets that the Group is holding on trust for Comtrade and to be transferred to the Comtrade pursuant to clause 13.7, clause 13.10(a) and clause 13.10(d) all property, rights, assets, agreements and other commitments of CT SA and CT BL that are not Business Assets (the "**Carved-out Assets and Commitments**") were transferred to the Seller Group with effect from 1 August 2020 in accordance with the Carve-out.

7.2 CT SA and CT BL have no outstanding or contingent liabilities related to the Carved-out Assets and Commitments.

7.3 Save for those Carved-out Assets that the Group holding on trust for Comtrade and to be transferred to Comtrade pursuant to clause 13.7, clause 13.10(a) and 13.10(d), no property, rights, assets, agreements or other commitments of CT SA and CT BL used principally in the carrying out of, or required for the operation of the Business as carried on at the date of this Agreement have been transferred to the Seller Group pursuant to the Carve-out.

7.4 CT SA and CT BL have not issued any securities or granted any other Encumbrances over their shares or assets to or for the benefit of: (i) any Seller Group Company, their shareholders or their Affiliates; or (ii) any other person, whether in relation to the Carve-out, or in order to secure any payables of CT SA or CT BL or any receivables of third parties against any Seller Group Company, their shareholders or their Affiliates.

8. **Consequence of the Group Reorganisation**

8.1 So far as Comtrade is aware, no former Employee has terminated their employment relationship with a Comtrade Group Company as a result of the Group Reorganisation.

8.2 None of the Key Customers or Suppliers have terminated a Material Contract to which they are a party directly as a result of the Group Reorganisation, and so far as Comtrade is aware, its relationship with each Key Customer or Supplier has not been adversely affected by the Group Reorganisation.

8.3 The Business has not lost the benefit of any material licence, consent, permit, approval or authorisation required for the operation of the Business as carried on at the date of this Agreement as a result of the Group Reorganisation.

9. **Accounts**

9.1 Copies of the Accounts, the Management Accounts and the CDS Balance Sheets have been disclosed in the Data Room.

9.2 The Accounts:

(a) give a true and fair view of the assets and liabilities of the Comtrade Group and each Comtrade Group Company as at the Accounts Date and of their profits or losses for the accounting period ended on the Accounts Date;

(b) have been properly prepared in accordance with all applicable Laws and Relevant Accounting Standards in force on the Accounts Date and the auditor's report on such Accounts is unqualified;

(c) save as disclosed in the Accounts, have been prepared using the accounting policies and practices adopted and applied in preparing the accounts of the Comtrade Group for the three (3) financial years preceding the accounting period ended on the Accounts Date;

(d) contain adequate provision or reserve for (or note in accordance with Relevant Accounting Standards) all material liabilities of the Comtrade Group; and

(e) save as disclosed in the Accounts, are not affected to a material extent by any extraordinary, exceptional, unusual or non-recurring items.

9.3 The basis of depreciation of fixed assets adopted in the Accounts are consistent with those adopted in the audited financial statements of the Comtrade Group for the three (3) financial years immediately preceding the financial year ended on the Accounts Date.

9.4 Adequate provision has been made in the Accounts for all actual quantifiable liabilities of the Comtrade Group outstanding at the Accounts Date to the extent required pursuant to Relevant Accounting Standards then in force.

9.5 The Management Accounts:

(a) have been prepared with reasonable skill in accordance with good business practice;

(b) have been prepared in accordance with the Relevant Accounting Standards, save that the following principles and topics usually relevant and considered when applying the Relevant Accounting Standards are deemed excluded for this purpose: (i) application of IFRS16, (ii) holiday pay accruals, (iii) severance pay accruals, (iv) fixed asset impairment reviews and (v) corporation tax computations;

(c) having regard for the purpose for which they were prepared as an internal management summary only, give a fair view of the profits and losses of the Business for the period for which they were prepared and are not misleading in any material respect; and

(d) save as disclosed in the relevant Management Accounts, are not affected to a material extent by any extraordinary, exceptional, unusual or non-recurring items.

9.6 The CDS Balance Sheets:

(a) have been prepared with reasonable skill in accordance with good business practice;

(b) have been prepared in accordance with the Relevant Accounting Standards, save that the following principles and topics usually relevant and considered when applying the Relevant Accounting Standards are deemed excluded for this purpose: (i) application of IFRS16, (ii) holiday pay accruals, (iii) fixed asset impairment reviews and (iv) corporation tax computation;

(c) having regard for the purpose for which they were prepared as an internal management summary only, give a fair view of the assets and liabilities of the Business as at 30 June 2020 assuming that the Group Reorganisation had taken place and that the Business was being operated by the Group as at 30 June 2020 and for the relevant period for which they were prepared and are not misleading in any material respect; and

(d) save as disclosed in the relevant CDS Balance Sheets, are not affected to a material extent by any extraordinary, exceptional, unusual or non-recurring items.

10. **Position since CDS Balance Sheets Date**

10.1 Since the CDS Balance Sheets Date:

(a) other than pursuant to the Group Reorganisation, the Group Companies have conducted the Business in the ordinary course and as a going concern;

(b) other than the Group Reorganisation, there has been no material adverse change in the financial or trading position of the Business except as a result of factors generally affecting similar businesses to a similar extent;

(c) no Group Company has declared, paid or made any dividend, bonus or other distribution of capital or income;

(d) no Group Company has made any material change to the remuneration, terms of employment or benefits of any present or former officer or employee except in the ordinary course of the Business;

(e) the Group has received payment in full on their due dates of all debts in excess of EUR 100,000 (*one hundred thousand*) due and owing to it in relation to the Business and no Group Company has released, in whole or in part, or written off, any such debts owing to it in relation to the Business; and

(f) no Comtrade Group Company has, in connection with the Business, promised to enter into, or entered into, any contract with any customer or supplier on the basis of terms that are materially adverse to the Business when compared to terms agreed and normal business practice of the Business for comparable services to the relevant customer or supplier during the twelve (12) months prior to Completion.

10.2 Since the Effective Date, and in respect of each of the Group Companies:

(a) there have been no payments out of any Group Company's accounts except for payments in the ordinary course of the Business; and

(b) no costs have been incurred under any agreements between a Group Company and a Seller Group Company.

11. **Finance**

11.1 The Group has no borrowings.

11.2 Other than a bank overdraft and revolving credit facility in Bosnia available to CT SA, no Group Company has any overdraft, loan or other financial facilities outstanding or available to it.

11.3 There are no debts owing to any Group Company other than trade debts incurred in the ordinary course of its business and, so far as Comtrade is aware, all such debts are good and collectable. No Group Company has lent any money which has not been repaid.

11.4 The Group has not factored or discounted any of its debts or other receivables or agreed to do so.

11.5 No amount included in the CDS Balance Sheets as owing to a Group Company in excess of EUR 50,000 has been released for an amount less than the value at which it was included in the CDS Balance Sheets or is now regarded by Comtrade as irrecoverable in whole or in part.

11.6 Particulars of all the bank and deposit accounts of each Group Company and of the credit or debit balances on such accounts as at a date (the "**Statement Date**") not more than two (2) days before the Effective Date have been provided to the Purchaser, and no Group Company has any other bank accounts.

11.7 In respect of each Group Company, since the Statement Date there have been no payments out of any Group Company's accounts except for routine payments in the ordinary course of the Business.

11.8 No grant or subsidy or allowance has been made to any Group Company.

11.9 No Group Company is responsible for the indebtedness of any other person or subject to any obligation to pay, purchase or provide funds for the payment of, or as an indemnity against the consequence of default in the payment of, any indebtedness of any other person except another Group Company.

11.10 No Group Company is party to any option or pre-emption right, and it has not given any guarantee, security, warranty or agreement for indemnity, suretyship, comfort letter or any other obligation (whatever called) to pay, provide funds or take action in the event of default in the payment of any indebtedness of any other person or in the performance of any obligation of any other person.

11.11 No Seller Group Company or any other person, has given any guarantee of or security for any overdraft, loan or loan facility of any kind granted to any Group Company.

11.12 No Group Company is liable to pay any professional adviser costs, expenses or disbursements which have been or may on or after the date of this Agreement be invoiced to the Group in respect of advice given on or before the date of this Agreement that is or was for the benefit of the Seller Group or its shareholders in relation to the preparation, negotiation and execution of this Agreement.

11.13 No Group Company has applied for or used, nor is it using or planning to apply for or use, any of the COVID-19 related relief, grants, subsidies, allowances or other measures or benefits (each a "**COVID Grant**"), which may be available to any Group Company, from any Governmental Authority.

11.14 If any Group Company has applied for or used any COVID Grant, in respect of such COVID Grant, the relevant Group Company: (i) has complied, and is in compliance with all material terms pursuant to which such grant was made available to it; and (ii) is not required to repay any amounts lent to it (in whole or in part) or to otherwise pay for the assistance it received, or take any other action to reimburse or make whole the relevant person that provided assistance.

12. **Transactions with the Sellers and Connected Persons**

12.1 Other than pursuant to the Business Transfer or the Carve-out, there is no outstanding indebtedness or other liability (whether actual or contingent) owing:

(a) by any Group Company to either Seller or any other member of the Seller Group or to any director of a Seller Group Company or Connected Person of any member of the Seller Group; or

(b) to any Group Company by any member of the Seller Group or by any director of a Seller Group Company or Connected Person of any member of the Seller Group.

12.2 No agreement, arrangement or understanding to which any Group Company is a party and in which:

(a) any director or former director of any member of the Seller Group or a Connected Person of a member of the Seller Group is directly or indirectly interested; or

(b) either Seller or any other member of the Seller Group is interested (except the TSA and agreements for the sale or supply of goods and services on normal commercial terms),

is outstanding.

12.3 All transactions between any Group Company and any member of the Seller Group have been on arm's length terms.

12.4 No member of the Seller Group provides goods, services or facilities to any Group Company (save for those services to be provided pursuant to the TSA).

12.5 No member of the Seller Group, nor (so far as Comtrade is aware) any director or officer of a Seller Group Company has any direct or indirect interest in any business which has a trading relationship with any Group Company or which competes with all or any part of the Business.

13. **Assets**

13.1 No person, other than Comtrade, has any interest in the Business.

13.2 In carrying on the Business in all material respects in the same way and manner as it is carried on at the date of this Agreement but save in respect of (i) the Company Assets that Comtrade is holding on trust for the Group and to be transferred to the Group pursuant to clause 13.6, clause 13.10(b) and clause 13.10(c) and (ii) the Excluded Assets, Comtrade (or the relevant Group Company) does not require any assets, premises, facilities or services of any other person (other than another Group Company) which will not be transferred to, or made available to, the Purchaser pursuant to the terms of this Agreement and the other Transaction Documents or which the Purchaser or relevant Group Company shall have the right to use (or otherwise made available to the Purchaser or relevant Group Company pursuant to the terms of the TSA or the Data Sharing Agreement).

13.3 The Business Assets are in the possession or control of the relevant Group Company and are situated within the jurisdictions of each of the respective Group Companies (as applicable). There is no agreement or commitment to give or create or allow any Encumbrance over or in respect of the whole or any part of the Business Assets, or goodwill of the Business and no claim has been made by any person to Comtrade (in writing or otherwise) that they are entitled to any such Encumbrance.

13.4 Save in connection with the TSA and the Data Sharing Agreement, no Business Asset is shared by a Group Company with any person other than another Group Company.

13.5 The tangible assets transferred to each Group Company pursuant to the Business Transfer or the Demerger are in a safe and useable condition that is also in keeping with industry standards (fair wear and tear excepted), have been reasonably maintained and are capable of doing the work for which they were acquired and are used as at the date of this Agreement.

13.6 All title deeds and agreements or documents to which any Group Company is a party are in the possession of the relevant Group Company, have been stamped where applicable and are free from any Encumbrance.

14. **Contracts**

14.1 Copies of all Material Contracts are in the PC Data Room.

14.2 With regard to each Material Contract:

(a) a Group Company is a party to each such Material Contract;

(b) the relevant Group Company has complied with its terms in all material respects; and

(c) so far as Comtrade is aware, there are no circumstances which would give rise to a default by any other party to the relevant Material Contract.

14.3 The only Comtrade Group Companies that have at any time prior to the date of this Agreement, been party to any Material Contract with a Key Customer or Supplier are the CDS Group Companies.

14.4 Each Material Contract is enforceable in accordance with its terms (subject to insolvency Laws).

14.5 So far as Comtrade is aware, there are no grounds for, or likely to give rise to, termination, avoidance, rescission or repudiation of any Material Contract and no Group Company has received notice (written or otherwise) of termination of a Material Contract or has been otherwise informed by a counterparty to a Material Contract that it intends to terminate such contract.

14.6 Details of any customer who is a party to a Material Contract and who has defaulted in any material respect in the payment when due of any monies to the CDS Group are in the PC Data Room.

14.7 No counterparty to a Material Contract has requested a reduction in work orders or has requested or agreed with Comtrade a reduction in revenue or collections of payments, or has informed Comtrade that it intends to make such request, provided that in each case such reduction (i) was requested or agreed or such notice of intention was received by Comtrade on or after 1 June 2020 and (ii) results in or so far as Comtrade is aware is likely to result in (x) a discount of 5% or more of the agreed revenue or collections of payments under such Material Contract, or (y) a reduction of 10 (ten) or more Employees or Workers being instructed or committed to work on such project or work order pursuant to the relevant Material Contract.

14.8 There are no outstanding claims against any CDS Group Company by a counterparty to a Material Contract in respect of delay in completion of projects or deficiencies of performance in services or otherwise, and no such claims have been threatened against a CDS Group Company or, so far as Comtrade is aware, are anticipated.

14.9 No Group Company is a party to any subsisting agency or distributorship agreement.

14.10 The Comtrade Contracts are not relevant to the Business. The Comtrade Contracts (or any revenue or profits or costs, loss or liabilities related thereto) have not been considered for the purposes of and are not reflected in, the Management Accounts or the CDS Balance Sheets.

14.11 No offer, tender or quotation is outstanding which is capable of being converted into a framework agreement having a value of EUR 100,000 or more, by an acceptance or other act of some other person. No Group Company is in negotiations with, nor has it put proposals forward or entered into discussions with, any material customer or supplier or the renewal of any existing business or acquisition of any new business in each case in connection with the Business.

14.12 Any amendments made with respect to Procurement Agreements (including change in pricing or the person of contractor) have been made in accordance with all applicable Laws in all material respects.

14.13 No Group Company is a party to any agreement in place in connection with or pursuant to the [***].

15. **Powers of attorney**

15.1 There are no powers of attorney granted by any CDS Group Company in relation to the Business, or by any Group Company more generally which are currently in force (other than to the holder of an Encumbrance solely to facilitate its enforcement or in connection with the purpose of this Transaction).

15.2 No person is entitled or authorized in any capacity to bind or commit a Group Company to any obligation outside the ordinary course of the Business.

16. **Trading**

16.1 No customer, client or supplier (including any person connected in any way with such customer, client or supplier) accounted for more than 10% (other than those clients listed at numbers one and two on the list of Key Customers or Suppliers) of the aggregate value of all sales or purchases of the CDS Group made in connection with the Business during the twelve (12) month period ending on the date of this Agreement.

16.2 In the twelve (12) month period ending on the date of this Agreement and in connection with the Business:

(a) no customer, client or supplier of the Business that represented 10% or more in value of the total purchases from, or supplies to, the CDS Group in connection with the Business in any of the last two (2) financial years (a "**Material Counterparty**") has ceased, or threatened in writing to cease, trading with the Business either in whole or in part;

(b) there has been no material adverse change in the terms on which any Material Counterparty or counterparty to a Material Contract trades with the CDS Group; and

(c) no Material Counterparty or counterparty to a Material Contract has ceased to do business with the Comtrade Group either in whole or in part.

16.3 No Group Company is party to any agreement, arrangement, understanding, practice or course of conduct which in any material way:

(a) infringes Articles 101 or 102 of the Treaty on the Functioning of the European Union;

(b) infringes Articles 53 or 54 of the Agreement on the European Economic Area;

(c) falls within the prohibitions contained in Chapter I or Chapter II Competition Act 1998;

(d) contravenes the Consumer Credit Act 1974, the Trade Descriptions Act 1968, the Consumer Protection Act 1987 or the Consumer Protection from Unfair Trading Regulations 2008; or

(e) infringes national competition law targeting anti-competitive agreements and abuses of dominant positions in any applicable jurisdiction.

16.4 Within the last six (6) years, no Comtrade Group Company, has received any process, written notice or other communication from the European Commission or any other competent authority in relation to competition matters in relation to the Business or in relation to any agreement, arrangement, understanding, practice or course of conduct to which any Group Company is a party.

16.5 No Comtrade Group Company is subject to any order, judgment, ruling, decision or direction of, or party to any undertaking given to, any competent court or governmental or regulatory authority in relation to competition matters, in each case so far as it relates to the Business.

16.6 No CDS Group Company has received, or is seeking to receive, any aid (within the meaning of Articles 107 to 109 Treaty on the Functioning of the European Union).

16.7 Complete copies of the standard terms upon which the Business trades or provides services to any person are in the PC Data Room and no CDS Group Company has in the last twelve (12) months and does not, and has not agreed to, provide services to any person on terms which materially differ from such standard terms.

17. **Licences**

17.1 Save in respect of the Company Assets that Comtrade is holding on trust for the Group and to be transferred to the Group pursuant to clause 13.6, clause 13.10(b) and clause 13.10(c), each Group Company has all necessary licences, permits, consents and authorities required for the carrying on of the Business in the places and in the manner in which it is carried on at the date of this Agreement, and all such licences, permits, consents and authorities are valid and subsisting and have been complied with in all material respects.

17.2 So far as Comtrade is aware, there are no circumstances which indicate that any of the licences, permits, consents or authorities of the Group referred to in paragraph 17.1 will, or is likely to be suspended, cancelled or revoked in whole or in part and, so far as Comtrade is aware, there are no facts or circumstances existing that are likely to prejudice the continuance or renewal of any of those licences, permits, consents or authorities.

18. **Compliance with Laws**

18.1 Each Comtrade Group Company has at all times conducted its business insofar as it relates to the Business in all material respects in accordance with all Laws and Regulatory Requirements applicable to it in connection with the Business.

18.2 No Comtrade Group Company has, in connection with the Business, received any notice or allegation and is not subject to any investigation relating to any breach of any Law or Regulatory Requirement applicable to it in connection with the Business, and so far as Comtrade is aware, there is no allegation or circumstance which is likely to give rise to any such notice, allegation or investigation.

19. **Data Protection**

19.1 Each Comtrade Group Company has carried on its business insofar as it relates to the Business at all times in material compliance with the Data Protection Laws.

19.2 Each Comtrade Group Company has, in connection with the Business, implemented appropriate technical and organisational measures to protect against the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to Personal Data and, so far as Comtrade is aware, each officer or employee of the Comtrade Group has at all times complied with such measures and Comtrade is not aware of any material breach of such measures.

19.3 Each Comtrade Group Company has, in connection with the Business, complied with all data subject requests, including requests for the rectification or erasure of Personal Data, and no such requests are outstanding.

19.4 No Comtrade Group Company has, in connection with the Business, received any written notice and is not subject to any investigation relating to any breach of the Data Protection Laws and Comtrade is not aware of any allegation or any circumstances which is likely to give rise to any such notice, allegation or investigation.

20. **Anti-corruption Anti-Money Laundering, Export Controls, Sanctions**

20.1 No Comtrade Group Company nor any Representative of a Comtrade Group Company, acting within the scope of their representation of the Comtrade Group, have: (i) violated with respect to the Business any Anti-Corruption Laws, Anti-Money Laundering Laws, Export Control Laws, or Sanctions in each case applicable to the Business; or (ii) made any offer, payment or promise, or authorised the offer, payment or promise, of any money or other property, gift or anything of value, regardless of form, directly or indirectly, to any Government Official or person related to any Government Official for purposes of influencing any act or decision of such Government Official in his or her official capacity to secure an improper advantage, obtain or retain business or direct business to any person or away from any person, or procure or access confidential or restricted information related to any historic, current or future business, in each case, with respect to the Business, in violation of any Anti-Corruption Laws, Sanctions or Anti-Money Laundering Laws applicable to any such Comtrade Group Company.

20.2 No Comtrade Group Company principal, owner, officer, director, procurator, or, so far as Comtrade is aware, employee, is a Government Official, and no such person has any legal or beneficial interest in this Agreement or in any payments to be made to it hereunder.

20.3 No Comtrade Group Company and, so far as Comtrade is aware, no Representative of any Comtrade Group Company, acting within the scope of their representation of any CDS Group Company, has been the subject of any Action by any Governmental Authority or any person with respect to the Business regarding any violation or alleged violation under any Anti-Corruption Laws, Anti-Money Laundering Laws, Export Controls Laws, or Sanctions in each case applicable to such Comtrade Group Company and no such Action has been threatened against a Comtrade Group Company, or so far as Comtrade is aware, is pending.

20.4 No Comtrade Group Company is a Sanctions Target. No Comtrade Group Company nor, so far as Comtrade is aware, any Representative of any Comtrade Group Company, acting within the scope of their representation of the Comtrade Group, has engaged with respect to the Business in any direct or, so far as Comtrade is aware, indirect dealings or transactions in or with a Sanctions Target, in violation of Sanctions applicable to the relevant Comtrade Group Company.

20.5 The Comtrade Group Companies have instituted and maintained in effect internal policies and procedures designed to detect and prevent conduct that would violate Anti-Corruption Laws, Anti-Money Laundering Laws, Export Control Laws, and Sanctions in each case applicable to each Comtrade Group Company, and they are applicable to its directors, officers and employees.

21. **Disputes**

21.1 No Comtrade Group Company nor any of their respective directors or officers is engaged, either on its own account or vicariously, in each case in connection with the Business, in any legal proceedings (including litigation, arbitration or any hearing before any tribunal, governmental, regulatory or official body) and no such legal proceedings are pending or have been threatened against Comtrade, nor, so far as Comtrade is aware, is there any matter or fact in existence which is likely to give rise to any such legal proceedings.

21.2 In the three (3) years before the date of this Agreement, no Comtrade Group Company has been involved in any legal proceedings with any person who is or was a customer, client or supplier under a Material Contract.

21.3 No Comtrade Group Company is in relation to the Business, subject to any order or judgment given by any court, arbitrator, tribunal, regulator or governmental agency which is still in force and has not given any subsisting undertaking to any court, arbitrator, tribunal, regulator or Governmental Authority or to any third party arising out of any legal proceedings.

22. **Insurance**

22.1 The Group maintains, and the Comtrade Group has at all material times in relation to the Business maintained, adequate insurance cover against all losses and liabilities normally insured against by a person carrying on the same type of business as the Business.

22.2 Particulars of all policies of insurance relating to the Business and/or the Group and now in force are in the PC Data Room (the "**Policies**"). The Policies provide adequate insurance cover as described in paragraph 23.1.

22.3 No insurance claims have made by the Comtrade Group in relation to the Business during the period of twelve (12) months ending on the date of this Agreement.

22.4 In respect of the Policies:

(a) all are in full force and effect and no written notice has been received by or on behalf of any Comtrade Group Company with regard to their termination, suspension, reduction or non-renewal;

(b) all premiums due on them have been fully paid;

(c) nothing has been done, or omitted to be done, by any Comtrade Group Company, and so far as Comtrade is aware, no other circumstances exist which would make any of them void or voidable; and

(d) there are no claims outstanding and, so far as Comtrade is aware, no facts or circumstances exist which are likely to give rise to any such claim.

22.5 The insurance previously maintained by the Comtrade Group and now maintained by the Group as required pursuant to the terms of each Material Contract, is adequate in accordance with the terms of each such contract.

22.6 Copies of the insurance policies concluded with Triglav in respect of CDS Slovenia are appended to the Disclosure Letter.

23. **Insolvency**

23.1 Neither (i) the Sellers nor (ii) any CDS Group Company nor (iii) any of the Comtrade Group Companies that participated in, or were involved in, the Group Reorganisation (collectively, (i), (ii) and (iii) being the "**Group Reorganisation Companies**" and each a "**Group Reorganisation Company**") is insolvent or unable to pay its debts within the meaning of the Insolvency Act 1986 or any other applicable insolvency legislation or has stopped payment of its debts as they fall due or commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

23.2 No compromise or arrangement (by way of scheme of arrangement, restructuring plan, voluntary arrangement or otherwise) with any of its creditors or any class of its creditors has been entered into or proposed with respect to any of the Group Reorganisation Companies.

23.3 No moratorium is in force with respect to any of the Group Reorganisation Companies and no step has been taken to obtain such a moratorium.

23.4 No notice has been given and no resolution has been passed for the winding up of any Group Reorganisation Company.

23.5 No liquidator, administrator, receiver, administrative receiver or similar officer has been appointed in relation to any Group Reorganisation Company or any of its assets, and so far as Comtrade is aware, no notice has been served, document(s) filed, application made, petition presented, or order made by a court in relation to the appointment of such an officer.

23.6 No step has been taken to strike off or dissolve any Group Reorganisation Company.

23.7 No distress, distraint, charging order, execution or other process has been levied or applied for in respect of the whole or any part of the property, assets or undertaking of any Group Reorganisation Company.

23.8 So far as Comtrade is aware, there are no circumstances which would entitle any person to present a petition for the winding up of any Group Reorganisation Company, to appoint an administrator in respect of any Group Reorganisation

Company or to appoint an administrative or other receiver over the whole or any part of any Group Reorganisation Company's assets or undertaking.

23.9 No step or procedure analogous to those set out in paragraphs 23.2 to 23.8 has been taken or commenced and no circumstances analogous to those set out in paragraphs 23.2 to 23.8 exist in any jurisdiction in which the Comtrade Group carries on the Business or in which any Group Reorganisation Company operates or is incorporated.

23.10 No person who now is a director or officer of any CDS Group Company is subject to any disqualification order or otherwise prohibited to act as a director by Law.

24. **Finder's fee**

24.1 No person is entitled to receive from a CDS Group Company or either Seller any finder's fee, brokerage or commission in connection with the sale of the Sale Shares, the Business Transfer or this Agreement.

Part B: Environment and Health and Safety

1. **Environment**

1.1 Each Comtrade Group Company complies in all material respects with all Environmental Laws which are relevant to the carrying on of the Business.

1.2 No Permits are required under Environmental Laws for the carrying on of the Business by the Group in the manner in which it is carried out at the date of this Agreement.

1.3 No Hazardous Matter is or has been generated, used, kept, treated, transported (including transportation in pipes and pipeworks), spilled, deposited, disposed of, discharged, emitted or otherwise dealt with or managed at, on, under or from any Property during its occupation by any Group Company.

1.4 So far as Comtrade is aware, there are no events, states of affairs, conditions, circumstances, activities, practices, incidents or actions which have occurred and have not been remedied or are occurring or have been or are in existence in connection with the conduct of the Business in the last twelve (12) months which are liable to give rise to any Environmental Liability.

1.5 At no time in the last twelve (12) months has Comtrade (or any other Comtrade Group Company) received any written notice, claim, demand or other written communication alleging any actual or potential Environmental Liability in relation to the conduct of the Business or the occupation of any Property connected to the Business.

2. **Health and Safety**

2.1 The Comtrade Group Companies have operated at all times in material compliance with all applicable Health and Safety Laws which are relevant to the carrying on of the Business.

2.2 So far as Comtrade is aware, there are no events, states of affairs, conditions, circumstances, activities, practices, incidents or actions which have occurred and have not been remedied or are occurring or have been or are in existence in connection with the conduct of the Business which are liable to give rise to liability under the Health and Safety Laws.

2.3 No works, repairs, construction, remedial action or expenditure is required in relation to the Health and Safety Laws in order to carry on the Business lawfully at any Property.

2.4 At no time has Comtrade (or any other Comtrade Group Company) received any notice, claim or other communication alleging any contravention of or actual or potential liability under any Health and Safety Laws which are relevant to the Business.

Part C: Property

1. **Properties and Leases**

1.1 Schedule 8 contains an accurate list of all the real property leased or subleased by a CDS Group Company.

1.2 The Group does not own any real estate.

1.3 The Properties comprise all the land and premises used or occupied by each Group Company and no Group Company has entered into any agreement for the purchase of any estate, interest or right in any land or buildings.

2. **Matters affecting Properties**

2.1 The Properties are not affected to any material extent by any of the following matters and to the knowledge of Comtrade, are not likely to become so affected:

(a) any outstanding dispute, notice or complaint or any exception, reservation, right, covenant, restriction or condition which is of an unusual nature or which affects the use of any of any of the Properties for the purpose for which it is now used (the "**current use**");

(b) any notice, order, demand, requirement or proposal of which the owner has notice or of which Comtrade has been aware made or issued by or on behalf of any Governmental Authority for the acquisition, clearance, demolition or closing, the carrying out of any work upon any building, the modification of any planning permission, the discontinuance of any use or the imposition of any building or improvement line, the alteration of any road or footpath or which otherwise affects any of the Properties;

(c) any outgoings except (in addition to rent) uniform business rates and water rates; or

(d) any commutation or agreement for the commutation of rent or payment of rent in advance of the due dates of payment thereof.

2.2 Each of the Properties are in a good state of repair and condition and fit for the current use and no deleterious material (including high alumina cement, woodwool, calcium chloride, sea dredged aggregates or asbestos material) was used (so far as Comtrade is aware) in the construction, alteration or repair of them and there are no development works, redevelopment works or fitting out works outstanding in respect of any of the Properties.

2.3 All material restrictions, conditions and covenants (including any imposed by or pursuant to any lease, sub-lease, tenancy or agreement for any of the same and whether a Comtrade Company is the landlord or tenant thereunder and any arising in relation to any superior title) affecting the Properties have been observed and performed and no notice of any breach of any of the same has been received or is to Comtrade's knowledge likely to be received.

2.4 In relation to each Property:

(a) any consents required for the grant of or under the covenants contained in the relevant lease and/or sublease has/have been obtained;

(b) the last instalment of rent was paid to, and was accepted by, the landlord (or tenant in the case of a sub-tenancy) or its agents without qualification;

(c) no amount is due or owing to the landlord (or tenant in the case of a sub-tenancy) (other than rent in the ordinary course), including in the way of dilapidation payments;

(d) the relevant lease and/or sublease is/are in full force and effect, is/are binding on the parties to it in accordance with its terms and has/have not been breached in any material respect;

(e) all steps in rent reviews have been duly taken and no rent reviews are or should be currently under negotiation or the subject of a reference to an expert or arbitrator or the courts and, where appropriate, evidence of the agreement or determination of the current rent has been placed with the documents of title; and

(f) Comtrade is not aware of any grounds for termination, avoidance, rescission or repudiation of a lease relating to any Property, and no Comtrade Group Company has received notice of any intention to terminate, repudiate or disclaim such lease.

2.5 The Group Company specified as the tenant in Schedule 8 is in actual occupation of each Property on an exclusive basis and no person other than such Group Company has any right (actual or contingent) to possession, occupation or use of or interest in any Property.

2.6 The Properties are not used for any purpose other than the current use specified for the Properties in Schedule 8.

3. **Applicable Law**

3.1 Each Group Company has complied with all Laws, regulations, restrictions, covenants and obligations in all material respects relating to each of the Properties and no Group Company has received any notice or allegation of any breach of such Laws, regulations, restrictions, covenants or obligations from any person, and so far as Comtrade is aware there are no circumstances likely to give rise to the service of any such notice or allegation.

3.2 The current use of each of the Properties and all machinery and equipment in or about the same and the conduct of any business in or from the same complies in all material respects with all relevant Laws.

3.3 There are no restrictive covenants or provisions, legislation or orders, charges, restrictions, agreements, conditions or other matters which preclude or limit the current use of any of the Properties and no agreements have been entered into with any Governmental Authority in respect of any of the Properties.

Part D: Employment and Pensions

1. **Information**

1.1 A complete and accurate schedule of all persons who were at the Effective Time the officers, Employees or Workers of each Group Company is included in the CC Data Room at folder 12, including details of the date on which they commenced continuous employment with a CDS Group Company and all remuneration payable and other benefits provided or which the Group is bound to provide to each such person (including profit sharing, incentive, bonus, severance and share option arrangements, whether legally binding or not) and no person other than those listed in folder 12 is employed by the Group or engaged in the Business.

1.2 Since the Effective Time: (i) no Employees or Workers employed in a managerial capacity or position have given or received written notice terminating his or her employment; and (ii) no offer of employment or engagement has been made by any Group Company to any person that if accepted, would mean such person would be employed as an employee or worker of a Group Company in a managerial capacity or position.

1.3 Other than the Key Managers, all Employees and Workers listed in folder 12 in the CC Data Room are directly employed or engaged by a Group Company and are engaged exclusively in the Business.

1.4 Details of all Employees who, as at the date falling three (3) Business Days before the date of this Agreement, are on secondment, maternity, paternity or other leave or who are absent due to illness which has lasted, or is expected to last, longer than four (4) weeks for any other reason, are in the CC Data Room.

1.5 Copies of all standard terms of employment, work rulebooks, staff handbooks and other standard statements or documents containing the current terms of employee emoluments and benefits for all Employees listed in folder 12 in the PC Data Room (including bonus schemes, incentive and profit-sharing arrangements) are in the PC Data Room.

2. **Service contracts**

2.1 There is no existing service or other agreement or contract in force between a Group Company and any of its officers or Employees or Workers which is not terminable by the relevant Group Company without compensation (other than a statutory redundancy payment or statutory compensation for unfair dismissal) on three (3) months' notice or less at any time.

2.2 There are no consultancy, agency or management services agreements in force between any Group Company and any other person, firm or company.

2.3 No outstanding offer of employment or engagement has been made by any Group Company that has not yet been accepted or which has been accepted but where the employment or engagement has not yet started.

2.4 True and complete copies of the template employment agreements upon which the Group engages its Employees as at the Effective Time are in the PC Data Room and no Group Company has entered into an employment agreement with any person on terms which substantially differ from those terms set out in such template agreements.

2.5 No service agreement existing between a Comtrade Group Company and a freelancer or Worker or consultant entered into in connection with the Business, could be reasonably considered as an agreement for employment, and no Comtrade Group Company has (in connection with the Business) a relationship with any of its Workers, freelancers or consultants that could be deemed to constitute an employment relationship. All freelancers, workers, contractors and subcontractors of each Comtrade Group Company are engaged in accordance with Law without triggering concealed employment and leasing of employees' issues and their engagement, so far as Comtrade is aware, cannot be considered as concealed employment or leasing of employees.

3. **Trade Union recognition**

3.1 No Comtrade Group Company recognises any trade union, works council, works representatives, staff association or other body representing any of the Employees or Workers (or any of them) for the purpose of collective bargaining or other negotiating purposes or has received a formal request for recognition of any such body.

3.2 There are no collective labour agreements applicable to any CDS Group Company and no collective labour agreement is currently being negotiated by or on behalf of any CDS Group Company.

4. **Applicable Law**

4.1 Each Comtrade Group Company has complied in all material respects with all obligations imposed on it by all relevant statutes, regulations and other Laws relating to the (current and former) Employees and Workers (including with respect to the Group Reorganisation) and has maintained, in all material respects, up to date records regarding the service, terms and conditions of employment of each of the (current and former) Employees and Workers.

4.2 Appropriate permission to work has been obtained for any Employee who requires permission to work in the jurisdiction in which they are working for the Group at the date of this Agreement.

5. **Liabilities**

5.1 Other than salary for the current month, commission, bonus, benefits and accrued holiday pay and business expenses incurred within a period of three (3) months immediately preceding the date of this Agreement, no amount is owing to, and no liability has been incurred with respect to, any present or former officer or director of a Group Company, or any Employee or Worker, and so far as Comtrade is aware, no such liabilities are anticipated.

5.2 Save as Disclosed, no gratuitous payment has been promised by any Comtrade Group Company in connection with the actual or proposed termination, suspension or variation of any contract of employment, worker's contract or contract for services of any present or former officer of a Comtrade Group Company, an Employee or a Worker.

5.3 No unilateral salary reductions have been adopted by any CDS Group Company.

6. **Disputes**

6.1 There are no current or pending employment claims or legal proceedings against any Comtrade Group Company by any person who is now or has been an officer of a CDS Group Company, an Employee or a Worker.

6.2 No officer of a CDS Group Company, Employee or Worker has raised a formal grievance or been the subject of any formal disciplinary proceedings within the period of twelve (12) months preceding the date of this Agreement and there are no such disciplinary proceedings pending in respect of any such officer, Employee or Worker.

7. **Incentive schemes**

7.1 No CDS Group Company has in existence, and no officers of a CDS Group Company, Employees or Workers participate in, any employee share trust, share incentive scheme, share option scheme or profit-sharing scheme.

8. **Resignations**

8.1 No present officer, Employee or Worker of any Group Company has given or received written notice terminating his or her employment.

9. **Redundancies**

9.1 Within the period of two (2) years preceding the date of this Agreement, no Comtrade Group Company has started consultation with any independent trade union or workers' representatives in relation to the redundancies of any employees of the CDS Group.

9.2 No Group Company is party to, bound by or proposing to adopt any redundancy payment scheme which is in excess of the statutory redundancy entitlement and there is no agreed procedure for redundancy selection.

10. **Amendment to Employment Agreements and Work Rulebooks**

10.1 Any changes made by a Comtrade Group Company to any employment agreement or work rulebook applicable to any Employees and made in the twelve (12) months prior to the date of this Agreement have been completed in accordance with Law and those rules and regulations relating to amending work rulebooks, and such changes to any employee agreement have been made with the consent of each affected Employee.

10.2 Details of all material changes made by a Comtrade Group Company to the work rulebooks of any Group Company, or of any CDS Group Company that affect an Employee and that have been made in the twelve (12) months prior to the date of this Agreement, are in the PC Data Room.

11. **Group Reorganisation**

11.1 A complete and accurate schedule of all officers of the Comtrade Group, Employees and Workers of the Comtrade Group who transferred (i) to CDS Serbia pursuant to the Business Transfer; (ii) from the Group to the Comtrade Group pursuant to the Carve-out; and (iii) to the Group in any other manner in the twelve (12) months prior to Completion, is attached to the Disclosure Letter.

11.2 The former employees of each of CT SA and CT BL not engaged in carrying on the Business (the "Carved-out Employees") were transferred (a) from CT BL to Comtrade Solutions Engineering d.o.o. Banja Luka and HYCU d.o.o. Sarajevo Podruznica Banja Luka; and (b) from CT SA to Comtrade Solution Engineering d.o.o. Sarajevo and Comtrade System Integration d.o.o. Sarajevo pursuant to the Carve-out with effect on 1 August 2020 and such transfer of employment of the Carved-out Employees was carried out in accordance with the Labour Acts of Republic of Srpska and Federation of Bosnia and Herzegovina.

11.3 So far as Comtrade is aware, no liability has been incurred and is outstanding by any Group Company which relates solely to the Carved-out Employees.

12. **Pensions**

12.1 No CDS Group Company participates in any private pension schemes or any defined benefit pension scheme.

12.2 Each Comtrade Group Company has complied with any obligations such Comtrade Group Company has under applicable Law in relation to the Business to provide or contribute towards pension, lump-sum, death, ill-health, disability or accident benefits in respect of its past or present officers of the CDS Group or Employees.

12.3 The Group is complying, and the Comtrade Group has complied, in each case in all material respects with their obligations under applicable Law with respect to the Employees' pension entitlements. No notices, fines, or other sanctions have been issued by any pensions regulator and so far as Comtrade is aware no instances of material non-compliance with these obligations have been notified to a pensions regulator in respect of any Comtrade Group Company in relation to the Business.

12.4 The Employees in the Republic of Serbia, Slovenia and Bosnia and Herzegovina do not have any special pension rights or packages applicable to them other than minimum statutory pension rights.

Part E: Intellectual Property and Information Technology

1. **Intellectual Property**

1.1 Particulars of all registered Intellectual Property Rights and all material unregistered Intellectual Property Rights owned, used or exploited by the CDS Group (including Internet domain names) which relate principally to the Business are set out in Parts A and B of Schedule 9 respectively.

1.2 A Group Company is the sole legal and beneficial owner of the Intellectual Property Rights set out in Parts A and B of Schedule 9, free from all Encumbrances.

1.3 No CDS Group Company licences any Intellectual Property Rights to a third party in connection with the Business.

1.4 To the extent that the Group licenses Intellectual Property Rights to a third party or licences in any Intellectual Property Rights belonging to any third party: (i) no such licences have been the subject of any breach or default by any Group Company or, so far as Comtrade is aware, any such third party; (ii) such licences are valid and binding; (iii) such licences have not been the subject of any claim, dispute or proceedings; and (iv) in respect of licences of Intellectual Property Rights by the Group to third parties, such licences do not restrict the Group from using the Intellectual Property Rights to which they relate.

1.5 The Intellectual Property Rights set out in Parts A and B of Schedule 9, are valid, subsisting and enforceable and so far as Comtrade is aware nothing has been done, or not been done, as a result of which any of them has ceased to be valid, subsisting or enforceable.

1.6 The CDS Trademarks were transferred to CDS Slovenia on 6 August 2020.

1.7 No activities of the CDS Group have infringed the Intellectual Property Rights of any third party in the twelve (12) months prior to the date of this Agreement.

1.8 No Comtrade Group Company has received written notification in the twelve (12) months prior to the date of this Agreement from a third party in relation to the Business in which (i) it is alleged that a CDS Group Company has infringed Intellectual Property Rights of a third party or (ii) the use, validity, existence or enforceability of the Intellectual Property Rights of a CDS Group Company is contested.

1.9 Save as set out in this Agreement, all application and renewal fees, costs, charges, taxes and other steps required for the maintenance or protection of the Intellectual Property Rights set out in Parts A and B of Schedule 9 have been duly paid on time and so far as Comtrade is aware there are no outstanding patent office or trademarks or designs registry deadlines which expire within three months of Completion.

1.10 The trademarks registered by a CDS Group Company cover all goods and services marketed under such trademarks.

1.11 No third party (including any Employee, Worker, freelancer, contractor or subcontractor) has made any claim of ownership in respect of any of the Intellectual Property Rights set out in Parts A and B of Schedule 9 and Comtrade is not aware of any matter or fact which is likely to give rise to any such claim.

1.12 The Commercial Information that is confidential is kept strictly confidential and Comtrade is not aware of any such confidentiality having been breached.

1.13 The CDS Group uses IT Systems operated by the Comtrade Group and those IT Systems are in good working order and function in accordance in all material respects with all applicable specifications in so far as they are required for the purposes of the Business.

1.14 There are no material IT Contracts pursuant to which a Group Company is the primary user.

1.15 A Group Company is the registrant and beneficial owner of the domain names specified in Schedule 10 and, so far as Comtrade is aware, such domain names do not infringe the Intellectual Property Rights of any third party.

1.16 The IT Contracts:

(a) are valid and binding;

(b) have not been the subject of any material breach or material default by any CDS Group Company or so far as Comtrade is aware any other party; and

(c) are not the subject of any claim, dispute or proceeding against any CDS Group Company, and so far as Comtrade is aware, no such claim, dispute or proceeding are threatened.

1.17 Comtrade has appropriate procedures in place for ensuring the security of the IT Systems and the confidentiality and integrity of data stored in the IT Systems, to the extent that it relates to the Business.

1.18 Comtrade has in place a disaster recovery plan which is intended to ensure that, in the event of a failure of the IT Systems, the Business can continue to operate in all material respects as carried on at the date of this Agreement

Part F: Purchaser Warranties

1.1 The Purchaser has the requisite power and authority to enter into and perform its obligations under this Agreement and each of the other Transaction Documents to which it is a party in accordance with their respective terms, and this Agreement and each of the other Transaction Documents to which it is a party constitutes or will, when executed, constitute valid and binding obligations enforceable against the Purchaser in accordance with their respective terms.

1.2 The Purchaser has obtained all necessary corporate and other consents and approvals required to execute and deliver and to perform its obligations under this Agreement and each other Transaction Document to which it is a party.

1.3 The execution and delivery of, and performance by, the Purchaser of this Agreement and each of the other Transaction Documents to which it is a party, and compliance with their respective terms, will not breach or constitute a default:

(a) under its constitutional documents;

(b) of any instrument, contract or other agreement to which the Purchaser is a party or by which it is bound;

(c) of any Law or Regulatory Requirement applicable to it; or

(d) of any order, judgment or decree by any Governmental Authority, to which the Purchaser is bound.

1.4 The Purchaser is not insolvent or unable to pay its debts within the meaning of the Insolvency Act 1986 or any other applicable insolvency legislation and has not stopped payment of its debts as they fall due or commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.

1.5 The Purchaser possesses sufficient funds to pay the Consideration and any fees payable by it or any Group Company (as applicable) under the TSA in the manner set out in this Agreement and the TSA and its obligation to pay the Consideration is not subject to or conditional upon financing from any external source.

Schedule 5
Specific Indemnities

Comtrade will indemnify the Purchaser or a Group Company for any and all Losses (other than Tax) incurred by it in connection with or arising out of the following:

1. **Group Reorganisation**

In case of any actual or alleged violation of, or failure to comply with, or breach of: (i) any relevant Laws applicable to the Business prior to Completion or (ii) the terms of any Material Contract or (ii) the terms of a contract of employment, work rulebook or mutual termination agreement of an Employee, in each case by a Group Reorganisation Company as a result of the Group Reorganisation (or any part thereof) prior to Completion (a "**Group Reorganisation Breach**"). For the purpose of this paragraph 1, an "alleged violation" shall occur only if the Purchaser or any Group Company receives a written notice from (1) a Governmental Authority stating that it intends to commence an Action against the Purchaser or any Group Company in relation to a Group Reorgansation Breach or (2) a counterparty to a Material Contract stating that it intends to commence an Action against the Purchaser or any Group Company in relation to a violation of the terms of any Material Contract prior to Completion by a Group Reorganisation Company as a result of the Group Reorganisation (or any part thereof) prior to Completion.

2. **Anti-Corruption, Anti-Money Laundering, Export Controls, Sanctions**

As a result of any actual or alleged violation by a Representative of the Comtrade Group in relation to the Business, or failure to comply by such Representative in relation to the Business with Anti-Corruption Laws, Anti-Money Laundering Laws, Export Control Laws, or Sanctions in each case so far as such Laws applied to the Business prior to Completion, provided that in each case such violation or failure occurred prior to Completion. For the purpose of this paragraph 2, an "alleged violation" shall occur only if (a) the Purchaser or any Group Company receives a written notice from a Governmental Authority stating that it intends to commence an Action against the Purchaser or any Group Company or (b) any member of the Purchaser's Group or any Comtrade Group Company submits a voluntary or directed disclosure or otherwise receives a written communication from a Governmental Authority or is the subject of a whistleblower claim, in each case in relation to a violation by a Representative of the Comtrade Group in relation to the Business of, or failure to comply by such Representative in relation to the Business with, Anti-Corruption Laws, Anti-Money Laundering Laws or Export Control Laws and in each case so far as such Laws applied to the Business prior to Completion.

3. **COVID Grants**

In case of any legally binding obligation of any Group Company to repay the COVID Grants actually obtained by any Group Company prior to Completion.

4. **IP**

In case of an actual or alleged violation, or unathorized use, by a Comtrade Group Company or any of its employees (where the relevant Comtrade Group Company is legally responsible for the acts of such employees) in relation to the Business of (i) any third-party Intellectual Property Rights or (ii) any third-party software (including open source software) used, resold, marketed, distributed, sub-licensed or sold by a Comtrade Group Company in the course of the Business, provided that in each case such violation or unauthorized use occurred prior to Completion. For the purpose of this paragraph 4, an "alleged violation" shall occur only if the Purchaser or any Group Company receives a written notice from a third party stating that it intends to commence an Action against the Purchaser or any Group Company in relation to a violation, or unathorized use, by a Comtrade Group Company in relation to the Business of (i) any third-party Intellectual Property Rights or (ii) any third-party software (including open source software) used, resold, marketed, distributed, sub-licensed or sold by a Comtrade Group Company in the course of the Business in each case prior to Completion.

5. **Data Protection**

In case of an actual or alleged violation by a Comtrade Group Company or any of its employees (where the relevant Comtrade Group Company is legally responsible for the acts of such employees) in relation to the Business of, or failure by a Comtrade Group Company in the course of the Business to comply with, any Data Protection Laws (in each case so far as such Laws applied to the relevant Comtrade Group Company prior to Completion), including violations or failures caused by a lack of data processing agreements, incompliant data processing agreements or due to unlawful processing, provided that such violation or failure occurred prior to Completion. For the purpose of this paragraph 5, an "alleged violation" shall occur only if the Purchaser or any Group Company receives a written notice from a Governmental

Authority stating that it intends to commence an Action against the Purchaser or any Group Company in relation to a violation by a Comtrade Group Company in relation to the Business of, or failure by a Comtrade Group Company in the course of the Business to comply with, any Data Protection Laws (in each case so far as such Laws applied to the relevant Comtrade Group Company prior to Completion), including violations or failures caused by a lack of data processing agreements, incompliant data processing agreements or due to unlawful processing.

6. **[***]/[***] back-to-back arrangements**

In case of any difference between the amount actually received by a Group Company from [***] under the [***] Contract in respect of the cost of licences and the amount actually paid to [***] by a Group Company under the [***] Contract in respect of the cost of licences where the difference results in a Loss to any Group Company and such difference results from the discrepancy prior to Completion between the termination rights of [***] under the [***] Contract (as amended by the LOU (to the extent that it is enforceable and applicable)) and [***] under the [***] Contract (as amended by the LOU (to the extent that it is enforceable and applicable)).

Schedule 6
Adjustment of Consideration

1. **Interpretation**

1.1 In this Schedule 6, references to a "**Party**" or to "**Parties**" shall (as applicable) be to the Purchaser and/or Comtrade only, and the following terms have the following meanings:

"**Adjustment Date**" means the fifth Business Day following the date on which the Completion Accounts and the Completion Statements are agreed or determined in accordance with this Schedule 6;

"**Cash**" means the aggregate amount of all unrestricted:

(a) cash and cash equivalents;

(b) cash standing to the credit of any account with a bank or other financial institution readily available, plus amounts receivable by the Group and cheques received and paid into any bank account of the Group on or before the Effective Time which clear after the Effective Time, and excluding amounts paid by the Group and cheques issued on or before the Effective Time by the Group which are to be cleared through the bank accounts of the Group after the Effective Time;

(c) amounts receivable (whether related to trading or loans or cash pooling or any other cause) from Comtrade or any other member of the Seller Group but only to the extent such amounts are received by a Group Company within fifteen (15) Business Days after the Effective Time; and

(d) tax assets in respect of corporation taxes (but not deferred tax assets),

in each case, to which a Group Company is beneficially entitled as at the Effective Time as shown in the balance sheet within the Completion Accounts, calculated on an aggregated basis but net of the elimination of inter-company balances in accordance with the accounting treatments, principles, bases, conventions, rules and estimation techniques set out in paragraph 5 of this Schedule 6. For the avoidance of doubt, any trapped cash shall be valued at nil;

"**Completion Accounts**" means the aggregated accounts, with consolidation adjustments only in respect of the elimination of inter-company balances, of the Group Companies as at the Effective Time, as prepared and agreed or determined as the case may be, in accordance with this Schedule 6;

"**Completion Accounts Pack**" means the Completion Accounts and the Completion Statements;

"**Completion Net Cash Amount**" means an amount equal to the aggregate amount of Cash minus an amount equal to the aggregate amount of Debt. If the Debt exceeds the Cash, such that the Completion Net Cash Amount is a negative amount, references to such Completion Net Cash Amount being "less than" any other amount, shall include the amount by which it is negative;

"**Completion Net Cash Statement**" means a statement setting out the Completion Net Cash Amount, as shown in or derived from the Completion Accounts, and as prepared and agreed or determined in accordance with this Schedule 6;

"**Completion Statements**" means, together, the Completion Working Capital Statement and Completion Net Cash Statement;

"**Completion Working Capital Amount**" means an amount equal to the aggregate amount attributed to the Current Assets minus an amount equal to the aggregate amount attributed to the Current Liabilities. If the Current Liabilities exceed the Current Assets, such that the Completion Working Capital Amount is a negative amount, references to such Completion Working Capital Amount being "less than" any other amount, shall include the amount by which it is negative;

"**Completion Working Capital Statement**" means a statement setting out the Completion Working Capital Amount, as shown in or derived from the Completion Accounts, and as prepared and agreed or determined in accordance with this Schedule 6;

"**Current Assets**" means the aggregate amount attributed to the following assets of the Group Companies (save for those included within Cash): trade debtors, inventories, prepayments, other receivables, accrued revenue and deferred costs, in each case as at the Effective Time and shown in the Completion Accounts, calculated on an aggregated basis in accordance with the accounting treatments, principles, bases, conventions, rules and estimation techniques set out in paragraph 5 of this Schedule 6;

"**Current Liabilities**" means the aggregate amount attributed to the following liabilities of the Group Companies (save for those included within Debt): trade creditors, accrued costs, deferred revenues, salaries, bonuses, commission, holiday pay accruals, social security and payroll taxes and VAT liabilities, in each case as at the Effective Time and shown in the Completion Accounts, calculated on an aggregated basis in accordance with the accounting treatments, principles, bases, conventions, rules and estimation techniques set out in paragraph 5 of this Schedule 6;

"**Debt**" means, in relation to the Group Companies, the aggregate amount of their respective borrowings and other financial indebtedness in the nature of borrowing, including (without double counting), any:

(a) borrowings from any bank, financial institution or other entity;

(b) indebtedness arising under any bond, note, loan stock, debenture, commercial paper or similar instrument;

(c) indebtedness under any hire purchase agreement or finance lease (excluding, for the avoidance of doubt, liabilities that were not recognised as finance lease liabilities prior to the adoption of IFRS 16, specifically property and car leases);

(d) any indebtedness for money borrowed or raised under any other transaction that has the commercial effect of borrowing;

(e) amounts payable (whether related to trading or loans or cash pooling or any other cause) to Comtrade or any other member of the Seller Group;

(f) any amounts payable to directors or shareholders (either to those of Group Companies or those of Comtrade or any other member of the Seller Group) other than amounts for employment remuneration arising in the ordinary course of business of the Group Companies;

(g) any Project Crystal Liabilities;

(h) accruals for fees, fines, premiums or penalties (if any) arising from termination of any supplier or advisor agreement in order to execute the sale of the Business under this Agreement or any fees, fines, premiums or penalties (if any) arising as a result of the Group Reorganisation;

(i) provisions (if any) for dilapidations of the Properties;

(j) obligations under any conditional sale, title retention, forward sale or purchase or any similar agreement or arrangement creating obligations with respect to the deferred purchase price of property (other than customary trade credit given in the ordinary course of trading);

(k) tax liabilities in respect of corporation taxes and dividend withholding taxes (and for the avoidance of doubt, including the elements of deferred tax liabilities which relate to dividend withholding taxes);

(l) actual legal claims or disputes (including any claims under performance bonds or guarantees);

(m) EUR [***] in respect of liabilities relating to employee jubilee awards, severance pay and termination benefits;

(n) long term liabilities with a tenure of longer than twelve (12) months (if not already captured in items above);

(o) any preference shares or element of preference shares shown as liabilities as required by applicable accounting standards;

(p) all unpaid accrued interest on any borrowings or indebtedness referred to in the paragraphs above, together with any prepayment premiums or other penalties, fees, expenses or breakage costs arising (or which would arise) in connection with the repayment of any such borrowings or indebtedness; and

(q) any declared but unpaid dividends,

in each case as at the Effective Time and shown in the Completion Accounts, calculated on a consolidated basis in accordance with the accounting treatments, principles, bases, conventions, rules and estimation techniques set out in paragraph 5 of this Schedule 6;

"**Effective Time**" means 00:01 on 1 August 2020;

"**Expert**" means a member of an independent firm of chartered accountants appointed in accordance with paragraph 4 of this Schedule 6;

"**Project Crystal Liabilities**" has the meaning given in paragraph 5.2(o)(iii) of this Schedule 6;

"**Resolution Period**" has the meaning given in paragraph 3.4 of this Schedule 6;

"**Review Period**" means the period of forty-five (45) calendar days commencing on the first calendar day after the date on which Comtrade receives the draft Completion Accounts Pack;

"**Specific Policies**" has the meaning given in paragraph 5.1(a) of this Schedule 6; and

"**Target Working Capital**" means EUR [***] (*[***]*).

2. **Preparation of the Completion Accounts**

2.1 As soon as practicable, and in any even no later than three (3) calendar months after the Completion Date, the Purchaser shall prepare and deliver to Comtrade for its review, drafts of the Completion Accounts and Completion Statements, (together the "**Completion Accounts Pack**"), in each case drawn up in accordance with paragraph 5 of this Schedule 6.

2.2 Comtrade shall promptly (and within five (5) Business Days) provide the Purchaser (and its agents or advisers) with access to such of its and the Comtrade Group's documents, working papers, information, books and records (including accounting records) (in so far as these relate to the Business) as the Purchaser (or its agents or advisers) may reasonably require (and it is reasonable to provide) in connection with the preparation of the Completion Accounts Pack.

2.3 If reasonably required by the Purchaser, Comtrade must use reasonable endeavours to obtain access to the working papers of the Group's auditors, prepared in respect of the audit of the Accounts to the extent they relate to the Business.

2.4 For the avoidance of doubt, while the Completion Accounts Pack is to be prepared in accordance with the terms of this Schedule 6, the other provisions of this Agreement shall take precedence when determining or making any other payment required pursuant to the terms of this Agreement.

3. **Submission and Agreement of Completion Accounts**

3.1 Comtrade shall have until the end of the Review Period to serve an Objection Notice on the Purchaser. An "**Objection Notice**" is a notice made in writing by Comtrade to the Purchaser and delivered to the Purchaser within the Review Period:

(a) notifying the Purchaser that Comtrade objects to the draft Completion Accounts Pack; and

(b) identifying in reasonable detail (considering the extent of information received by Comtrade in respect of the Completion Accounts Pack and pursuant to paragraph 3.2), the reason for any such objection including with respect to (i) the amount(s) and (ii) item(s) in the draft Completion Accounts Pack which is or are in dispute. To the extent practicable, Comtrade should also include details of any adjustments which it considers should be made to any of the documents within the Completion Accounts Pack.

3.2 During the Review Period, the Purchaser shall promptly (and within five (5) Business Days) provide Comtrade (and its agents and advisers) with access to and copies of any documents, working papers and supporting information, including access to the books and accounting records of the Group Companies, used to produce the Completion Accounts Pack, as Comtrade (or its agents or advisers) may reasonably require (and it is reasonable to provide) in connection with its review of the Completion Accounts Pack. If Comtrade does not receive any information which it has requested under this paragraph 3.2 within five (5) Business Days after the date of the request, then the Review Period shall be extended by a period equal to the number of Business Days (beyond such five (5) Business Day period) until all such requested information is provided, provided that the Review Period shall not be extended by more than fifteen (15) Business Days pursuant to the terms of this paragraph 3.2.

3.3 If, during the Review Period, Comtrade:

(a) serves a written notice on the Purchaser confirming its agreement with the documents contained in the draft Completion Accounts Pack; or

(b) fails to serve an Objection Notice on the Purchaser,

then, in the case of paragraph 3.3(a), with effect from the date of service of such notice, and in the case of paragraph 3.3(b), with effect from the first date after the last date of the Review Period, the documents within the draft Completion Accounts Pack will constitute the Completion Accounts and the Completion Statements and Comtrade will be deemed to have irrevocably agreed the Completion Accounts and the Completion Statements and these shall be final and binding on the Parties.

3.4 If Comtrade serves an Objection Notice within the Review Period in accordance with paragraph 3.1 of this Schedule 6, the Purchaser and Comtrade shall, during the period commencing on the date of service of the Objection Notice (the "**Resolution Period**") until the date that is two (2) months after the date of service of the Objection Notice, seek in good faith to reach agreement on the disputed matters.

3.5 During the Resolution Period, if the Purchaser identifies any error or inaccuracy in the Completion Accounts and/or Completion Statement that it prepared and delivered to Comtrade pursuant to paragraph 2.1, and provided the errors identified amount to no more than EUR [***] (*[***]*) in aggregate, the Purchaser shall be entitled to make such amendments to the Completion Accounts and / or Completion Statements as it deems appropriate (the "**Amendments**"). If the Purchaser makes any such amendments to the Completion Accounts and / or Completion Statements, the Purchaser shall explain in reasonable detail to Comtrade the reason for any such Amendments which it considers necessary and shall promptly submit to Comtrade a revised draft of the Completion Accounts Pack together with any documentation reasonably requested by Comtrade in relation thereto. Comtrade shall then have ten (10) Business Days from the date of receipt of such revised Completion Accounts Pack and requested documentation to consider and discuss such Amendments with the Purchaser, and the Resolution Period shall be deemed extended by a further ten (10) Business Days for this purpose.

3.6 If, before the Resolution Period expires (as extended pursuant to paragraphs 3.2 and / or 3.5 as applicable), the disputed matters (including any Amendments) are:

(a) resolved by the Parties in writing, the documents comprising the draft Completion Accounts Pack (revised as necessary to reflect the Parties' agreement including any further revisions made by the Purchaser and agreed to in writing by Comtrade) shall constitute the Completion Accounts and the Completion Statements, and shall be final and binding on the Parties with effect from the date of their agreement; or

(b) not resolved by the Parties in writing, then at any time following the expiry of the Resolution Period either Party may, by written notice to the other Party, require the disputed matters to be referred to an Expert for determination in accordance with paragraph 4 of this Schedule 6.

3.7 Subject to paragraph 4.11, the Purchaser and Comtrade shall bear and pay their own costs incurred in connection with the preparation, review and agreement of the Completion Accounts and the Completion Statements.

4. **Expert Determination**

4.1 If a notice is served by either Comtrade or the Purchaser pursuant to paragraph 3.6(b) of this Schedule 6, Comtrade and the Purchaser shall use all reasonable endeavours to reach agreement regarding the identity of the person to be appointed as the Expert and to agree terms of appointment with the Expert. Neither Comtrade nor the Purchaser shall unreasonably withhold its agreement to the terms of appointment proposed by the Expert or the other Party.

4.2 If the Parties fail to agree on the Expert within ten (10) Business Days of either Party serving details of a proposed Expert on the other, then the Expert will be selected (at the instance of either Party) by the President for the time being of the Institute of Chartered Accountants in England and Wales.

4.3 The Parties shall be entitled to present their respective views to the Expert on the items that each Party considers to be in dispute or unresolved, and each Party shall be entitled to present the Expert with details of any adjustments that it considers should be made to any of the documents in the Completion Accounts Pack.

4.4 The Parties shall co-operate with the Expert and shall provide (and in the case of the Purchaser shall procure that each Group Company provides) such assistance and access to such documents, personnel, books and records as the Expert may reasonably require for the purpose of making their determination.

4.5 The Parties shall be entitled to make submissions to the Expert and each Party shall, with reasonable promptness, supply the other with all such information and access to its documentation, books and records as the other Party may reasonably require in order to make a submission to the Expert in accordance with this paragraph 4.

4.6 To the extent not provided for in this paragraph 4, the Expert may in their reasonable discretion determine such other procedures to assist with the conduct of their determination as they consider just or appropriate, including (to the extent

they consider necessary) instructing professional advisers (including valuers and solicitors) to assist in reaching their determination.

4.7 Unless otherwise agreed between Comtrade and the Purchaser, the Expert shall be required to make its determination in writing (including reasons for their determination) and to provide a copy to each Party as soon as reasonably practicable and in any event within thirty (30) Business Days of receipt of any relevant information requested by the Expert from Comtrade and the Purchaser for the purpose of making its determination.

4.8 All matters under this paragraph 4 shall be conducted, and the Expert's decision shall be written, in the English language.

4.9 The Expert shall act as an expert and not as an arbitrator.

4.10 Each of Comtrade and the Purchaser shall act reasonably and co-operate to give effect to the provisions of this paragraph 4 and shall not do anything to hinder or prevent the Expert from making a determination.

4.11 Each of Comtrade and the Purchaser shall bear and pay its own costs incurred in connection with the Expert's determination pursuant to this paragraph 4. The Expert's fees and any costs or expenses incurred in making its determination (including the fees and costs of any advisers appointed by the Expert) shall be borne by the Parties in such proportions as the Expect directs: either (i) in such proportions that correlate to and reflect the Expert's final determination; or (ii) equally as between the Purchaser and Comtrade.

4.12 The Expert's decision is final and binding save in the event of manifest error or fraud.

5. **Basis for Preparing the Completion Accounts, Completion Statements**

5.1 The Completion Accounts shall be prepared on the following basis, and in the order of priority shown below:

(a) first, in accordance with and applying the specific accounting treatments, principles, bases, conventions, rules and estimation techniques set out in paragraph 5.2 below (collectively, the "**Specific Policies**");

(b) secondly, to the extent not provided for by the Specific Policies, adopting the same accounting principles, policies, treatments and categorisations as were used in the preparation of the CDS Balance Sheets;

(c) thirdly, to the extent not provided for in paragraphs 5.1(a) or 5.1(b), adopting the same accounting principles, policies, treatments and categorisations as were used in the preparation of the Accounts; and

(d) fourthly, to the extent not provided for in paragraphs 5.1(a), (b) or (c), in accordance with International Financial Reporting Standards (as adopted by the European Union) ("IFRS"), as in force for the accounting period ending on the Accounts Date.

5.2 In preparing the Completion Accounts, the following Specific Policies should be applied:

(a) the Completion Accounts shall be prepared in the form set out in Annex 1 of this Schedule 6. In preparing the Completion Accounts, assets and liabilities will be classified between the columns headed "Cash", "Debt", "Working Capital" and "Other" on a basis consistent with the classification of the equivalent line item in Annex 1 of this Schedule 6, subject to any other requirement in this paragraph 5.2;

(b) the Completion Accounts shall be prepared by reference to the general ledgers of the Group Companies and in accordance with those specific procedures that would normally be adopted at a financial year-end, which includes detailed analysis of prepayments and accruals and appropriate cut-off procedures, but subject always to the specific requirements of paragraph 5.2. In the event the Completion Date does not fall upon the date of a normal accounting month end, items accounted for on a time apportioned basis will be calculated on a pro-rata basis;

(c) the Completion Accounts shall be prepared on the basis that the Group Companies are a going concern;

(d) in preparing the Completion Accounts no minimum materiality limits shall be applied;

(e) except for paragraph (f) below, the Completion Accounts shall take account of information or events taking place after the Effective Time but only to the extent such information or events provide evidence of conditions that existed at the Effective Time. No account shall be taken of information or events that are indicative of conditions arising after the Effective Time. Regard shall only be had to information available to the Parties up to the date of delivery of the draft Completion Accounts Pack by the Purchaser to Comtrade pursuant to paragraph 2.1 this Schedule 6, save that full account shall be taken of monies received from trade debtors prior to the date

that the Completion Accounts are agreed or determined, to the extent that such debtors would otherwise have been provided against;

(f) in relation to any transfers of Employees, Company Assets or Carve-out Assets occurring after the Completion Date and pursuant to the terms of clause 13 of this Agreement, the associated assets and liabilities relating to those Employees, Company Assets or Carve-out Assets will be treated as having transferred into or out of (as relevant) the Group Companies at the Effective Time, except to the extent that the Seller Group Company from which the relevant employee has transferred retains responsibility for settlement of the transferring employee's liabilities and thus those liabilities have not transferred to the Group Companies; or vice versa for Carve-Out related employees and liabilities;

(g) in preparing the Completion Accounts, the Effective Time shall be treated as the end of a tax accounting period (i.e. the corporate income tax liability included in the Completion Accounts shall be based upon a full tax computation calculated as if the Effective Time was the end of an accounting period for tax purposes);

(h) any deferred tax assets or liabilities recognised by the Group Companies at the Effective Time shall be allocated to the column headed "Other" in the Completion Accounts, except for withholding tax liabilities within deferred tax liabilities which shall be allocated to the column headed "Debt";

(i) any liabilities that are subject to indemnification under the terms of this Agreement shall be allocated to the column headed "Other" in the Completion Accounts, to the extent that the indemnification covers the full value of the liability;

(j) all assets relating to amounts owed, outstanding or accrued between any Group Company and Comtrade or any member of the Seller Group shall be allocated to the column headed "Cash" but only to the extent such amounts are received by a Group Company within ten (10) Business Days from the Effective Time. All liabilities relating to amounts owed, outstanding or accrued between any Group Company and Comtrade or any member of the Seller Group shall be allocated to the column headed "Debt";

(k) balances between Group Companies shall be fully reconciled and eliminated in the Completion Accounts;

(l) tangible fixed assets will be included at the same value as in the CDS Balance Sheets (or, if acquired after the CDS Balance Sheets Date, at their cost) less, in each case, depreciation on a pro rata basis at the rates used in the Accounts and, in each case, less provision for damage, dilapidations, impairment or other want of repair on the same basis used in preparing the Accounts

(m) no value will be attributed to any assets (including in particular any prepayment) except to the extent that (following Completion) a Group Company or the Purchaser has the benefit of them;

(n) the currency conversion rates for assets and liabilities denominated in currencies other than Euros will be as per the rates published by the European Central Bank in relation to the Effective Time;

(o) full provision will be made for the following (it being acknowledged that some provisions will be allocated to the column headed "Other" in the Completion Accounts):

(i) all uncollected receivables of any Group Company that existed as at the Effective Time (the "**Overdue Accounts**" and each an "**Overdue Account**") and which are not recovered by the time the Completion Accounts Pack is delivered to Comtrade in accordance with paragraph 2 of this Schedule 6;

(ii) rebates and discounts to the extent falling due and fees, bonuses and commissions to the extent becoming payable after Completion, in either case for sales or other transactions that took place before Completion;

(iii) any liabilities specifically incurred by any Group Company in respect of the costs of this Agreement, the other Transaction Documents and the Transaction ("**Project Crystal Liabilities**") including fees, expenses, rewards or other distributions payable to any adviser engaged by, or any director or employee or contractor of, either Seller or its Affiliates or the Group Companies in connection with the Transaction. In the Completion Accounts, the Project Crystal Liabilities shall be presented separately from the business as usual services liabilities from those persons/companies;

(iv) provisions shall be made for obligations (if any) in relation to making good damage or dilapidations to the Properties only to the extent it has not been included in the valuation of fixed assets pursuant to paragraph 5.2(l);

(v) Tax, including deferred Tax liabilities (where deferred Tax liabilities shall be allocated to the column headed "Other" in the Completion Accounts except for withholding Tax elements of deferred Tax liabilities which shall be allocated to the column headed "debt");

(vi) a liability shall be recognised in respect of employee jubilee awards, severance pay and termination benefits, to be fixed at EUR [***];

(vii) non-current long-term financial liabilities;

(viii) legal claims or disputes or calls upon guarantees (but only to the extent not covered by indemnities, provided for at the best estimate of the likely settlement value); and

(ix) no provision shall be made in respect of the requirement or obligation on a Group Company to repay any government grants, subsidies or similar received by the Group in connection with COVID-19 (because a Specific Indemnity is being provided in case of any obligation on the Group to repay any such grant, subsidy or similar instead); and

(p) assets relating to financial investments in joint ventures and other companies shall be categorised as "Other" in the Completion Accounts; and

(q) the Completion Accounts shall exclude any effects of the change of control or ownership of the Business contemplated by this Agreement and shall not reappraise the value of any of the assets or liabilities of the Business as a result of such change in control or ownership.

5.3 No fact, matter, circumstance or event arising from any voluntary acts, omissions or defaults of the Purchaser or any other member of the Purchaser's Group after Completion otherwise than in pursuance of commitments which are legally binding at Completion (including any obligation under this Agreement or any other Transaction Document) shall be included in any part of the Completion Accounts.

5.4 The provisions of this Schedule 6 shall be interpreted so as to avoid double counting (whether positive or negative) of any item to be included in the Completion Accounts.

6. **Completion Working Capital Statement and Completion Net Cash Statement**

The Completion Working Capital Statement and Completion Net Cash Statement will be derived solely from the Completion Accounts and will not include assets or liabilities not included in them.

Annex 1
Pro forma Completion Accounts

[***]

Schedule 7
Limitations

1. **Interpretation**

The Parties agree that the provisions of this Schedule 7 shall not apply to any claim under the Tax Deed or any claim under or arising out of a Tax Warranty Claim except as expressly set out below.

In this Schedule 7, the following terms have the following meanings:

"**Back-to-Back Indemnity**" means the specific indemnity set out in paragraph 6 of the Specific Indemnities;

"**Back-to-Back Indemnity Claim**" has the meaning given to it in paragraph 10.1(d) of this Schedule 7;

"**Claim**" means an Indemnity Claim or a Warranty Claim but excluding a Fundamental Warranty Claim;

"**COVID Grants Indemnity Claim**" means a claim under paragraph 3 of the Specific Indemnities;

"**Employee Claim**" has the meaning given to it in paragraph 10.1(c) of this Schedule 7;

"**Fundamental Warranty Claim**" means a claim arising out of a Fundamental Warranty;

"**Group Reorganisation Indemnity Claim**" means a claim under paragraph 1 of the Specific Indemnities;

"**Indemnity Claim**" means a claim under any of the Specific Indemnities;

"**Tax Claim**" means a claim under the Tax Deed or for breach of any of the Tax Warranties;

"**Third Party Claim**" has the meaning given to it in paragraph 10.1 of this Schedule 7; and

"**Warranty Claim**" means a claim for breach of any of the Warranties excluding the Fundamental Warranties.

2. **Financial Limits**

2.1 The total aggregate liability of Comtrade (including for costs, expenses and interest) under this Agreement and the Tax Deed shall not exceed an amount equal to one hundred (100) per cent. of the Consideration.

2.2 Subject to paragraph 2.1, the aggregate liability of Comtrade (including for costs, expenses and interest) in respect of:

(a) all Claims and Tax Claims (but excluding Fundamental Warranty Claims) shall not exceed EUR 30,000,000 (*thirty million*)); and

(b) all Fundamental Warranty Claims shall not exceed EUR 60,000,000 (*sixty million*).

2.3 No Claim shall be brought against Comtrade nor shall Comtrade have any liability in respect of a Claim:

(a) unless the amount of the liability of Comtrade pursuant to such Claim (when aggregated with one or more other Claim(s) arising from the same circumstances or events) exceeds EUR 55,000 (*fifty-five thousand*), provided that this paragraph 2.3(a) shall not apply in relation to a Group Reorganisation Indemnity Claim or a COVID Grants Indemnity Claim; and

(b) unless the aggregate amount of the liability of Comtrade for all Claims when aggregated with the amount of any other Claim made against Comtrade under this Agreement exceeds EUR 450,000 (*four hundred and fifty thousand*), in which case Comtrade shall be liable for the whole of such aggregate amount and not just the excess, subject to the other provisions of this Agreement, provided that this paragraph 2.3(b) shall not apply in relation to a COVID Grants Indemnity Claim.

3. **Time limits**

3.1 No Claim shall be brought against Comtrade nor shall Comtrade have any liability in respect of any Claim unless Comtrade has received written notice from (or on behalf of) the Purchaser giving such reasonable details of the factual nature and basis of the Claim as are then available to the Purchaser, including the Purchaser's reasonable estimate of the amount claimed in respect of such relevant Claim, by no later than the second anniversary of Completion.

3.2 Notwithstanding the above, the Purchaser shall notify Comtrade in writing of any relevant Claim as soon as reasonably practicable after becoming aware of the same.

3.3 Any Claim shall (if it has not been previously satisfied, settled or withdrawn) be deemed to have been waived or withdrawn on the expiry of eight (8) months after the date of the notice served pursuant to paragraph 3.1 unless legal proceedings in respect of such Claim have been commenced, save that where such Claim relates to a liability which is contingent or otherwise not capable of being quantified, the eight (8) month period shall commence on the later of (a) the date that the contingent liability becomes an actual liability or the liability is capable of being quantified or (b) the date notice in respect of the relevant Claim is given in accordance with paragraph 3.1.

4. **No Duplication of Recovery**

Comtrade will not be liable for any Claim (or such liability will be reduced) to the extent that the Purchaser has recovered under the Tax Deed or otherwise under this Agreement or any other Transaction Document in respect of the same Loss. For the avoidance of doubt, the Purchaser is not entitled to recover damages or otherwise obtain payment, reimbursement or restitution more than once in respect of the same loss or liability.

5. **Relevance of Limitations in Certain Circumstances**

5.1 None of the limitations contained in this Schedule 7 will apply to any Claim or Fundamental Warranty Claim if any liability of Comtrade in respect of that Claim or Fundamental Warranty Claim arises from, or to the extent that such liability is increased as a result of, fraud or willful concealment on the part of Comtrade or any other member of the Seller Group.

6. **General**

6.1 Comtrade shall have no liability in respect of a Warranty Claim or such liability will be reduced to the extent that such Warranty Claim arises from or, having arisen, is increased as a result of:

(a) matters or circumstances to the extent that these have been Disclosed (save in the case of the Fundamental Warranties); or

(b) a voluntary act, omission or transaction carried out after Completion by the Purchaser or any member of the Purchaser's Group (including any Group Company) or their respective directors or employees (other than in the ordinary course of the Business in the same way and manner as it is carried on by the Sellers and the CDS Group at the date of this Agreement); or

(c) the passing or coming into force of, or any change in, any Law after Completion or any change in the interpretation of any Law made after Completion, whether or not having retrospective effect; or

(d) an act or omission or transaction by Comtrade or any Comtrade Group Company occurring at the written request or with the prior written consent of the Purchaser after Completion; or

(e) the Purchaser's or any member of the Purchaser's Group's (in each case to the extent that the relevant entity is party to a Transaction Document) breach of the terms of this Agreement, including this Schedule 7, or any other Transaction Document occurring after Completion; or

(f) a change of accounting policy basis or practice or accounting reference date of the Purchaser or any Group Company made after Completion other than at the written request of Comtrade.

6.2 Comtrade shall have no liability in respect of an Indemnity Claim (other than a Group Reorganisation Indemnity Claim) or such liability will be reduced to the extent that such Indemnity Claim (other than a Group Reorganisation Indemnity Claim) arises from or, having arisen, is increased as a result of:

(a) a voluntary act, omission or transaction carried out after Completion by the Purchaser or any member of the Purchaser's Group (including any Group Company) or their respective directors or employees (other than in the ordinary course of the Business in the same way and manner as it is carried on by the Seller Group at the date of this Agreement); or

(b) the passing or coming into force of, or any change in, any Law after Completion or any change in the interpretation of any Law made after Completion, whether or not having retrospective effect.

6.3 To the extent that a Claim is based upon a liability that is contingent only or is not capable of being quantified, Comtrade will not be liable unless and until such liability ceases to be contingent or unquantifiable and becomes an actual liability or capable of being quantified, provided that this paragraph 6.2 will not operate to prevent the Purchaser making a Claim in respect of a contingent or unquantifiable liability if notice of such Claim is given to Comtrade by or on behalf of the Purchaser within the time limits in paragraph 3 in circumstances where the liability does not become an actual liability or capable of being quantified until after the expiry of the relevant time limit.

7. **Insured Warranty Claims**

Comtrade shall not be liable in respect of any Warranty Claim or Indemnity Claim to the extent that the amount of loss or liability attributed to such Warranty Claim or Indemnity Claim (as applicable) is actually recovered by the Purchaser (whether by contribution or indemnity) under any insurance policies maintained by a Group Company (including the Run off Policy).

8. **Remediable Warranty Claims**

Comtrade shall have no liability whatsoever in respect of a Warranty Claim if the matter or liability giving rise to such Warranty Claim is capable of remedy and is remedied to the reasonable satisfaction of the Purchaser within thirty (30) days after the date on which notice of such Warranty Claim is served on Comtrade.

9. **Third party recoveries**

9.1 If Comtrade pays to the Purchaser an amount pursuant to a Claim and the Purchaser or any member of the Purchaser's Group (including a Group Company) subsequently recovers from a third party (including under an insurance policy effected by or on behalf of the Purchaser or any member of the Purchaser's Group (including a Group Company)) an amount which is referable to that Claim, the Purchaser shall (or, as appropriate, shall procure that the relevant Group Company shall) as soon as reasonably practicable following receipt of such sum from the relevant third party, repay to Comtrade an amount equal to the amount paid by Comtrade to it as is referable to the Claim provided that in no case shall the amount to be repaid to Comtrade exceed the amount recovered from the third party, or the amount received from Comtrade.

9.2 Where the Purchaser or any member of the Purchaser's Group (including a Group Company) is (in its reasonable opinion) at any time entitled (whether by reason of insurance or otherwise) to recover from a third party any sum in respect of any matter giving rise to a Claim, the Purchaser shall, or shall procure that the relevant member of the Purchaser's Group (including a Group Company) shall promptly use reasonable endeavours to seek recovery of such amount. For the avoidance of doubt, the obligation in this paragraph 9.2 shall not prevent the Purchaser from simultaneously, or in advance of seeking recovery from such third party, making a Claim against Comtrade provided that the Purchaser complies with its obligations under this paragraph 9.

9.3 If any amount is repaid to Comtrade by the Purchaser or by the relevant member of the Purchaser's Group (including a Group Company) pursuant to paragraph 9.1 above, an amount equal to the amount so repaid shall be deemed never to have been paid by Comtrade to the Purchaser for the purpose of calculating Comtrade's total aggregate liability for all Claims under paragraph 2.1.

10. **Conduct of litigation**

10.1 Upon the Purchaser or any member of the Purchaser's Group (including a Group Company) becoming aware of any claim, action or demand made or threatened by any third party (including an employee) against a Group Company which may give rise to a Claim ("**Third Party Claim**"), the Purchaser shall, and shall procure that the appropriate member of the Purchaser's Group, shall:

(a) notify Comtrade by written notice as soon as reasonably practicable after it becomes aware of such Third Party Claim, including where it appears to the Purchaser that it or a member of the Purchaser's Group may become liable in respect of such Third Party Claim; and

(b) provide Comtrade with such reasonable information and documents in relation to the Third Party Claim or the matters likely to give rise to the Third Party Claim as are available to the Purchaser or the relevant member of the Purchaser's Group at the date of the notice under paragraph (a) and thereafter upon the reasonable request by Comtrade; and

(c) if the Third Party Claim is brought by a (current or former) Employee of the Group (including a Worker) and provided that the amount of such Third Party Claim is estimated by Comtrade acting reasonably to be less than

the maximum amount for which Comtrade could potentially be liable for a Claim in relation to such Third Party Claim at the relevant time under paragraph 2.2 of this Schedule 7 (which in no case can exceed EUR 30,000,000 (*thirty million*)) (an "**Employee Claim**") and subject to Comtrade indemnifying the Purchaser against any and all Losses which are properly and reasonably incurred by the Purchaser or any member of the Purchaser's Group (including the relevant Group Company) in connection with any such action, at the request of Comtrade, allow it to take the sole conduct of the Employee Claim in the name of the Purchaser or the appropriate Purchaser Group Company and in that regard, the Purchaser shall give or cause to be given to Comtrade such reasonable assistance as Comtrade may reasonably require in avoiding, disputing, resisting, settling, mitigating, compromising or defending the Employee Claim and Comtrade shall be entitled to settle the Employee Claim with the prior consent of the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed) provided that if pursuant to this paragraph Comtrade takes any action which, in the reasonable opinion of the Purchaser, would materially adversely affect the business of the Purchaser's Group as a whole, or cause the Purchaser, or a member of the Purchaser's Group to be in breach or violation of any Law or Regulatory Requirement applicable to it, (and the Purchaser has, if reasonably requested by Comtrade, provided reasonable details of such material adverse effect or breach to Comtrade) then Comtrade shall cease to be entitled to have the sole conduct of the relevant Employee Claim and conduct shall (upon notice on Comtrade by the Purchaser) and subject to the other provisions of this paragraph 10 revert to the Purchaser;

(d) if the Third Party Claim is brought in respect of the Back-to-Back Indemnity and provided that the amount of such Third Party Claim is estimated by Comtrade acting reasonably to be less than the maximum amount for which Comtrade could potentially be liable for a Claim in relation to such Third Party Claim at the relevant time under paragraph 2.2 of this Schedule 7 (which in no case can exceed EUR 30,000,000 (*thirty million*)) (a "**Back-to-Back Indemnity Claim**") and subject to Comtrade indemnifying the Purchaser against any and all Losses which are properly and reasonably incurred by the Purchaser or any member of the Purchaser's Group (including the relevant Group Company) in connection with any such action, at the request of Comtrade, allow it to take the sole conduct of the Back-to-Back Indemnity Claim in the name of the Purchaser or the appropriate Purchaser Group Company and in that regard, the Purchaser shall give or cause to be given to Comtrade such reasonable assistance as Comtrade may reasonably require in avoiding, disputing, resisting, settling, mitigating, compromising or defending the Back-to-Back Indemnity Claim and Comtrade shall be entitled to settle the Back-to-Back Indemnity Claim with the prior consent of the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed) provided that if pursuant to this paragraph Comtrade takes any action which, in the reasonable opinion of the Purchaser, would materially adversely affect the business of the Purchaser's Group as a whole, or cause the Purchaser, or a member of the Purchaser's Group to be in breach or violation of any Law or Regulatory Requirement applicable to it, (and the Purchaser has, if reasonably requested by Comtrade, provided reasonable details of such material adverse effect or breach to Comtrade) then Comtrade shall cease to be entitled to have the sole conduct of the relevant Back-to-Back Indemnity Claim and conduct shall (upon notice on Comtrade by the Purchaser) and subject to the other provisions of this paragraph 10 revert to the Purchaser; and

(e) make no submission, admission of liability, agreement, settlement or compromise to or with any third party in relation to a Third Party Claim, provided that the amount at which such Third Party Claim is proposed to be settled is less than the maximum amount for which Comtrade could potentially be liable for a Claim in relation to such Third Party Claim at the relevant time under paragraph 2.2 of this Schedule 7 (which in no case can exceed EUR 30,000,000 (*thirty million*)) without the prior written consent of Comtrade (such consent not to be unreasonably withheld, conditioned or delayed),

provided that nothing in this paragraph 10(b), (c), (d) or (e) shall require or demand the Purchaser or a Purchaser Group Company (including the Group) to do or refrain from doing any action which in the reasonable opinion of the Purchaser (i) materially adversely affects the business of the Purchaser's Group as a whole as then carried on, or (ii) would cause the Purchaser, or a member of the Purchaser's Group to be in breach or violation of any Law or Regulatory Requirement applicable to it (and the Purchaser has, if reasonably requested by Comtrade, provided reasonable details of such material adverse effect or breach to Comtrade). If the Purchaser notifies Comtrade that it wishes to act or refrain from acting under this paragraph 10(b), (c), (d) or (e) due to a breach of Law or Regulatory Requirement, then Comtrade and the Purchaser shall negotiate in good faith to replace the relevant course of action with a course of action which does not cause it to be in breach or violation of any Law or Regulatory Requirement and which, as far as possible, has the same commercial effect as that which it replaces.

11. **Duty to mitigate**

In respect of any Warranty Claim, nothing in this Agreement shall in any way restrict or limit the Purchaser's or any member of the Purchaser's Group's common law duty to mitigate its losses.

12. **Awareness of Purchaser**

Comtrade shall have no liability in respect of any Warranty Claim to the extent that any of the directors of the Purchaser, Dean Stockley, Phillip Gustafson, Julian Bull, Paul Chapman or David Churchill have actual knowledge, as at the date of this Agreement, of a fact matter or circumstance that will cause Loss to the Group (or any Group Company) or the Purchaser post Completion and for which the Purchaser would be entitled to seek recovery from Comtrade pursuant to the Warranties and terms of this Agreement.

13. **Accounts**

(a) Comtrade shall have no liability in respect of a Warranty Claim if and to the extent that the matter, event or circumstances giving rise to the Warranty Claim is Disclosed in the Accounts, the Management Accounts or the CDS Balance Sheets.

(b) Comtrade shall have no liability in respect of a Claim if and to the extent that the matter, event or circumstances giving rise to the Claim has been taken into account and adequately provided for when computing the amount of an allowance, provision or reserve in the Completion Accounts.

14. **Consequential loss**

Comtrade shall not have any liability for, and the Purchaser shall not be entitled to claim for, any indirect or consequential losses, provided that this paragraph 14 shall not apply to an indemnity claim (including an Indemnity Claim).

Schedule 8
Properties

[***]

Schedule 9
Intellectual Property

[***]

Schedule 10
Guarantees
[***]

Schedule 11
Key Customer and Supplier List
[***]

Schedule 12
Intra-Group Agreements

1. "Intra-Group Agreements" means the following intra-group agreements:

[***]

2. "Intra-Group Termination Agreements" means the following intra-group termination agreements:

[***]

3. "New CDS Intra-Group Agreements", means the following intra-group agreements:

[***]

Schedule 13
Group Reorganisation

Part A: Business Transfer

For the purposes of this Agreement, "**Business Transfer**" means:

[***]

Part B: Carve-out

For the purposes of this Agreement, "**Carve-out**" means:

[***]

Schedule 14
Hire Lease Agreements

[***]

SIGNED as a **DEED** by)
duly authorised for and on behalf of)
ENDAVA (UK) LIMITED)
in the presence of) ……/s/Jan Primožiè…….

Witness: Signature: ……/s/Peter Gorše……
Name: … Peter Gorše ……
Address: …[***]……
Occupation: …Lawyer……

SIGNED as a **DEED** by)
duly authorised for and on behalf of)
COMTRADE GROUP B.V.)
in the presence of) ……/s/ Matej Ružiè …….

Witness: Signature: …/s/Viki Praŝnikar……
Name: … Viki Praŝnikar……
Address: …[***]……
Occupation: …Head of Controlling……

SIGNED as a **DEED** by
duly authorised for and on behalf of)
COMTRADE SOLUTIONS MANAGEMENT)
HOLDINŠKA DRUŽBA D.O.O)
in the presence of) ……/s/ Ana Pavloviæ …….

Witness: Signature: …/s/Viki Praŝnikar……
Name: … Viki Praŝnikar……
Address: …[***]……
Occupation: …Head of Controlling……

Exhibit 8.1 Endava plc List of Significant Subsidiaries

Subsidiary	**Jurisdiction**
Endava Inc.	Delaware, USA
Endava Romania SRL	Romania
Endava (UK) Ltd.	England and Wales
ICS Endava SRL	Moldova

Exhibit 12.1

Certification by the Principal Executive Officer pursuant to
Securities Exchange Act Rules 13a-14(a) and 15d-14(a)
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, John Cotterell, certify that:

1. I have reviewed this annual report on Form 20-F of ENDAVA PLC (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: September 15, 2020

/s/ John Cotterell
Name: John Cotterell
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 12.2

Certification by the Principal Financial Officer pursuant to
Securities Exchange Act Rules 13a-14(a) and 15d-14(a)
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Mark Thurston, certify that:

1. I have reviewed this annual report on Form 20-F of ENDAVA PLC (the "Company");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: September 15, 2020

/s/ Mark Thurston

Name: Mark Thurston

Title: Chief Financial Officer
(Principal Financial Officer)

Exhibit 13.1

Certification by the Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), John Cotterell, Chief Executive Officer of ENDAVA PLC (the "Company"), and Mark Thurston, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

(1) The Company's Annual Report on Form 20-F for the year ended June 30, 2020, to which this Certification is attached as Exhibit 13.1 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: September 15, 2020

/s/ John Cotterell

Name: John Cotterell

Title: Chief Executive Officer
(*Principal Executive Officer*)

/s/ Mark Thurston

Name: Mark Thurston

Title: Chief Financial Officer
(*Principal Financial Officer*)

Exhibit 15.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors

Endava plc:

We consent to the incorporation by reference in the registration statements on Form S-8 (File No. 333-228717) and Form F-3 (File No. 333-229213) of Endava plc of our reports dated September 15, 2020, with respect to the consolidated balance sheets of Endava plc as of June 30, 2020 and 2019, the related consolidated statements of comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended June 30, 2020, and the related notes, and the effectiveness of internal control over financial reporting as of June 30, 2020, which reports appear in the June 30, 2020 annual report on Form 20-F of Endava plc.

Our report dated September 15, 2020 on the effectiveness of internal control over financial reporting as of June 30, 2020, expresses our opinion that Endava plc did not maintain effective internal control over financial reporting as of June 30, 2020 because of the effect of material weaknesses related to the achievement of the objectives of the control criteria and contains an explanatory paragraph that states material weaknesses related to IT General Controls, Risk Assessment, and Adequate Training and Knowledge have been identified and included in management's assessment.

Also, our report dated September 15, 2020, on the consolidated financial statements, refers to a change to the method of accounting for leases as of July 1, 2019 due to the adoption of IFRS 16 Leases.

/s/ KPMG LLP

London, United Kingdom

September 15, 2020