

THIS DOCUMENT AND THE ACCOMPANYING LETTER OF INSTRUCTION IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own independent financial advice immediately from an independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

25 April 2023

To the holders of options under the ECSC Group plc EMI Share Option Plan and the ECSC Group plc Non-Executive Share Option Scheme (collectively, the “ECSC Share Plans”)

Dear Option holder

Recommended acquisition of ECSC Group PLC (“ECSC”) by Daisy Corporate Services Trading Limited (“Daisy”)

1 Introduction

- 1.1 On 31st March 2023, ECSC and Daisy announced that agreement had been reached on the terms of a recommended cash acquisition by which the entire issued and to be issued ordinary share capital of ECSC will be acquired by Daisy (the “**Acquisition**”).
- 1.2 The Acquisition will be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the “**Scheme**”). This requires the approval of ECSC Shareholders and the sanction of the Court, as described in more detail in the Announcement to ECSC Shareholders dated 31 March 2023 (the “**Announcement**”) and the Scheme Document. The Announcement and Scheme Document can be accessed at <https://investor.ecsc.co.uk>.
- 1.3 This letter provides information on the impact of the Acquisition on the outstanding options under the ECSC Share Plans (the “**Option(s)**”).
- 1.4 You should read this letter in conjunction with the Announcement, Scheme Document and the enclosed letter of instruction (the “**Letter of Instruction**”) which provide a general summary of the Option Exercise Proposal and how this applies to Option(s) held by you. Your Option(s) remain subject to the rules and terms of the applicable ECSC Share Plans under which they were granted.
- 1.5 Words and expressions defined in the Announcement and Scheme Document have the same meaning in this letter, unless the context requires otherwise.

2 Summary of the terms of the Acquisition

- 2.1 Under the terms of the Acquisition, ECSC Shareholders will be entitled to receive:

54.02 pence in cash for each ECSC Share held

- 2.2 The terms of the Acquisition values ECSC at approximately £5.4 million.

2.3 It is expected that the Scheme Court Hearing to sanction the Scheme will be held on 20 June 2023 and that the Scheme will become Effective in accordance with its terms on or around 22 June 2023 (the “**Effective Date**”). The current timetable, which is subject to change, is set out in full in the Scheme Document.

3 Impact of the Acquisition on your Option(s)

3.1 **The exercise price of your Option(s) is greater than the recommended offer price of 54.02 pence.** This means that if any of your Option(s) have vested and you were to exercise your Option(s), the consideration you would receive on sale of the resulting ECSC Shares to Daisy under the Acquisition would not be sufficient to pay your exercise price and you would be required to pay the difference. You will need to consider whether exercising your Option(s) in these circumstances is appropriate.

3.2 It is assumed that, unless you notify the ECSC in writing by 22 May 2023, you will not wish to exercise your options. If this is the case, no further action is required.

3.3 Pursuant to clause 12 of the ECSC Share Plans, the board has determined that any unexercised Option(s) (whether vested or not) will lapse upon the Effective Date.

4 What needs to happen for the Acquisition to go ahead?

4.1 The Acquisition will be carried out through what is called a “scheme of arrangement”. The Scheme has to be approved by ECSC Shareholders at a Court Meeting and at a separate General Meeting (together the “**Meetings**”), which are due to be held on or around 24 May 2023. Once approved by ECSC Shareholders, the Scheme will only become Effective if approved by the Court.

4.2 The Scheme is subject to a number of Conditions which are set out in the Scheme Document. It is expected that the Scheme will become Effective on or around 22 June 2023 subject to the satisfaction or (where applicable) waiver of all the relevant Conditions.

4.3 Further information on the Scheme is set out in the Scheme Document which is available on the ECSC website at <https://investor.ecsc.co.uk> and on the Daisy at www.daisyuk.tech/offer-for-ecsc-group-plc/.

4.4 This letter should be read together with the Scheme Document.

5 What happens if the Scheme is not sanctioned by the Court?

5.1 If the Court does not sanction the Scheme, Option(s) will remain in existence in the normal course under the terms of the ECSC Share Plans.

6 Recommendation

6.1 The directors of ECSC, who have been so advised by Allenby Capital Limited (“**Allenby**”), consider the terms of the arrangements as described in this letter to be fair and reasonable. In providing its advice, Allenby has taken into account the commercial assessments of the ECSC directors.

7 General

- 7.1 In the unlikely event that you wish to exercise your Option(s) you should contact ECSC as soon as reasonably practicable on the contact details provided below. It is assumed that you will not wish to exercise your Option(s) unless you instruct us otherwise in writing.
- 7.2 If you are in any doubt as to the action you should take in respect of your Option(s) you are recommended to seek your own independent financial or other appropriate professional advice immediately.
- 7.3 If you have any queries concerning this letter, you should contact Matthew Briggs at ECSC on (0) 1274 736 223 or at matthew.briggs@ecsc.co.uk
- 7.4 Please remember that we cannot provide you with any personal investment or tax advice.

Yours faithfully

ECSC Group plc

Yours faithfully

Daisy Corporate Services Trading
Limited

NOTES:

- 1 The directors of ECSC Group plc, whose names are set out in Appendix III of the Scheme Document, each accept responsibility for the information contained in this letter and the Letter of Instruction other than the information for which responsibility is taken by the directors of Daisy Corporate Services Trading Limited. To the best of the knowledge and belief of the directors of ECSC Group plc (who have taken all reasonable care to ensure that such is the case) the information contained in this letter and Letter of Instruction for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 2 The directors of Daisy Corporate Services Trading Limited, whose names are set out in Appendix III of the Scheme Document, each accept responsibility for the information contained in this letter other than the information for which responsibility is taken by the directors of ECSC Group plc. To the best of the knowledge and belief of the directors of Daisy Corporate Services Trading Limited (who have taken all reasonable care to ensure that such is the case) the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 3 Allenby Capital Limited which is authorised and regulated by the FCA in the UK, is acting as financial adviser and broker exclusively for ECSC Group plc and no one else in connection with the contents of the Scheme Document and will not be responsible to anyone other than ECSC Group plc for providing the protections afforded to clients of Allenby Capital Limited, or for providing advice in connection with the matters set out in this letter, the Announcement, Scheme Document or any other matters referred to herein. Neither Allenby Capital Limited nor any of its subsidiaries, branches or affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client Allenby Capital Limited in connection with this letter, Announcement, the Scheme Document, any statement contained in this letter or otherwise.
- 4 Allenby Capital Limited has given and has not withdrawn its written consent to the issue of this letter and the inclusion in this letter of the references to its name in the form and context in which they are included.
- 5 Accidental omission to despatch this letter to, or any failure to receive the same by, any person shall not invalidate the arrangements described herein in any way.