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THIS ANNOUNCEMENT IS DEEMED BY DAISY CORPORATE SERVICES TRADING LIMITED AND ECSC GROUP PLC TO CONTAIN INSIDE INFORMATION AS STIPULATED UNDER THE MARKET ABUSE REGULATION NO 596/2014 (INCORPORATED INTO UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 AS AMENDED BY VIRTUE OF THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019). UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

FOR IMMEDIATE RELEASE

31 March 2023

RECOMMENDED CASH ACQUISITION

of

ECSC GROUP PLC

by

DAISY CORPORATE SERVICES TRADING LIMITED

to be effected

by way of a scheme of arrangement

under Part 26 of the Companies Act 2006

Summary

- The boards of Daisy Corporate Services Trading Limited ("**Daisy**") and ECSC Group plc ("**ECSC**" or the "**Company**") are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by Daisy of the entire issued and to be issued share capital of ECSC (the "**Acquisition**").
- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act and will be subject to approval of the Scheme at the Court Meeting and the Resolutions at the General Meeting.
- Under the terms of the Acquisition, each ECSC Shareholder will be entitled to receive:
54.02 pence in cash for each ECSC Share held
- The Acquisition values the entire issued and to be issued share capital of ECSC at approximately £5.4 million.
- The Cash Consideration represents a premium of approximately:

- 170.1 per cent. to the closing price of 20.0 pence per ECSC Share on the Last Practicable Date;
 - 138.0 per cent. to the volume weighted average price per ECSC Share for the three month period ended on the Last Practicable Date; and
 - 46.0 per cent. to the volume weighted average price per ECSC Share for the twelve month period ended on the Last Practicable Date.
- The Daisy Directors believe that ECSC represents an opportunity to acquire a cyber focused company which is a strong fit with the existing business and operations of the Cyber & Operational Resilience Division of Daisy Corporate Services. Enhancing the Daisy Corporate Services cyber capability is a key strategic priority to facilitate DCS's growth plans and to meet customer demand. ECSC provides highly complementary services (within high growth markets) to DCS's current Operational Resilience offerings. In addition, the Acquisition will provide significant opportunities for cross-selling into Daisy's wider Managed Service customer base.
 - The Cash Consideration payable to Scheme Shareholders under the terms of the Acquisition will be funded from existing cash resources of the Daisy Group.

Recommendation

- The ECSC Directors, who have been so advised by Allenby Capital Limited ("**Allenby**") as to the financial terms of the Acquisition, unanimously consider the terms of the Acquisition to be fair and reasonable. In providing financial advice to the ECSC Directors, Allenby has taken into account the commercial assessments of the ECSC Directors. Allenby is providing independent financial advice to the ECSC Directors for the purposes of Rule 3 of the Code.
- Accordingly, the ECSC Directors intend to recommend unanimously that ECSC Shareholders vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, accept, or procure acceptances of, such Takeover Offer).
- Under the terms of his service contract, Matthew Briggs (Chief Executive Officer of ECSC) is contractually entitled to a cash bonus of £167,143 upon the sale of ECSC which is calculated as follows: (i) 50% of his base salary plus car allowance; and (ii) 1.5% of the purchase price payable on the sale of ECSC. This bonus would be payable to Matthew Briggs upon the Scheme becoming Effective which is expected in early June 2023.

Irrevocable undertakings

- All of the ECSC Directors who hold ECSC Shares (in a personal capacity or through members of their immediate families, related trusts or their nominee or nominees) have irrevocably undertaken to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) in respect of their own beneficial

holdings (and the beneficial holdings of members of their Immediate families or related trusts or nominee(s)) in respect of 2,686,544 ECSC Shares, representing, in aggregate, 26.85 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.

- In addition to the irrevocable undertakings from the ECSC Directors, Daisy has also received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) from ECSC Shareholders (other than the ECSC Directors and members of their immediate families, related trusts or their nominee or nominees) in respect of 910,764 ECSC Shares, in aggregate, representing approximately 9.10 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.
- Therefore, as at the date of this Announcement, Daisy has received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) with respect to a total of 3,597,308 ECSC Shares, in aggregate, representing approximately 35.95 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.
- Full details of the irrevocable undertakings received by Daisy are set out in Appendix III to this Announcement.

Scheme Document

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (or, if Daisy elects and with the consent of the Takeover Panel, a Takeover Offer). The purpose of the Scheme is to provide for Daisy to become the owner of the entire issued and to be issued ordinary share capital of ECSC. The Scheme will be put to ECSC Shareholders at the Court Meeting and at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of the ECSC Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares voted. The Resolutions required to implement the Scheme must also be approved by the requisite majority of ECSC Shareholders at the General Meeting.
- The Acquisition is subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document.
- Further details of the Acquisition will be contained in the Scheme Document which is intended to be sent to ECSC Shareholders, along with the notices of the Court Meeting and the General Meeting and the Forms of Proxy, as soon as reasonably practicable and, in any event within 28 days of the date of this Announcement, unless Daisy and ECSC otherwise agree, and the Takeover Panel consents, to a later date. The Scheme Document will be made available by ECSC and Daisy at www.ecsc.co.uk, and www.daisyuk.tech/offer-for-ecsc-group-plc/, subject to certain restrictions to persons in Restricted Jurisdictions).

- Subject to the Conditions and certain further terms set out in Appendix I to this Announcement, the Scheme is expected to become Effective in early June 2023.

Comments on the Acquisition

Commenting on the Acquisition, Matthew Briggs, Chief Executive Officer of ECSC, said:

"As a board, having carefully considered the pros and cons of being acquired by Daisy, we determined the pros significantly outweigh the cons. Whilst the strategy for ECSC is underway, there are some inevitable headwinds from increased competition, pricing pressures and wage inflation especially in the technology sector. Taking these factors into account, together with a strategy which can only be executed over a 12-24 month period due to the nature of 'big ticket' contract negotiations, the opportunity to be acquired by Daisy at a significant share price premium and a 'ready made' cross sell client base makes this acquisition very attractive for ECSC.

"We are excited by the prospect of what can be achieved as Daisy and ECSC come together. Under Daisy ownership the ECSC Directors believe there is a very real prospect that ECSC can become the UK's leading cyber security organisation, providing excellent career opportunities and delivering best in class cyber solutions for new and existing clients."

Neil Thompson, Chief Executive Officer of Daisy said:

"We're really excited about adding ECSC's longstanding and highly complementary Cyber expertise to Daisy's existing Operational Resilience Division, and wider Managed Service business.

Our people are looking forward to working together, and the skill sets the ECSC team bring will further enhance the market leading IT services we provide to our customers."

This summary should be read in conjunction with, and is subject to, the full text of this Announcement and its Appendices.

In particular, the Acquisition is subject to the Conditions and further terms as set out in Appendix I (and the full terms and conditions to be set out in the Scheme Document). Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.

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DWF Law LLP is providing legal advice to Daisy. Freeths LLP is providing legal advice to ECSC.

Important Notices

*Ernst & Young LLP ("**EY**"), which is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the United Kingdom, is acting exclusively for Daisy and for no one else in connection with the matters set out in this Announcement. EY will not regard any other person as its client in relation to the matters referred to in this Announcement and will not be responsible to anyone other than Daisy for providing the protections afforded to clients of EY nor for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement. Neither EY nor any of its 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 of EY in connection with the matters referred to in this Announcement, or otherwise.*

*Allenby Capital Limited ("**Allenby**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in connection with matters set out in this Announcement. Allenby will not regard any other person as its client in relation to the matters referred to in this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby, or for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement. Neither Allenby nor any of its 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 of Allenby in connection with the matters referred to in this Announcement, or otherwise.*

This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, any offer, invitation, inducement or the solicitation of an offer to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of or exercise rights in respect of any securities, or the solicitation of any vote or approval of an offer to buy securities in any jurisdiction (pursuant to the Acquisition or otherwise) nor shall there be any sale, issuance or transfer of any securities pursuant to the Acquisition in any jurisdiction in contravention of any applicable laws.

The Acquisition will be made solely through the Scheme Document and the accompanying Forms of Proxy, which will contain the full terms and conditions of the Acquisition and the Scheme, including details of how to vote in respect of the Acquisition and the Scheme. Any approval, decision or other response to the Acquisition and/or the Scheme should be made only on the basis of the information in the Scheme Document. Scheme Shareholders are strongly advised to read the formal documentation in relation to the Acquisition and the Scheme carefully once it becomes available because it will contain important information relating to the Acquisition.

This Announcement does not constitute a prospectus or a prospectus equivalent document.

This Announcement has been prepared for the purpose of complying with English law, the Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set out in this Announcement since such date.

Overseas shareholders

The release, publication or distribution of this Announcement in certain jurisdictions other than the United Kingdom may be restricted by law and the ability of ECSC Shareholders who are not resident in the United Kingdom to participate in the Acquisition may be restricted by the laws and/or regulations of those jurisdictions. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe, any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their ECSC Shares at the Court Meeting and/or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their ECSC Shares in respect of the Court Meeting and/or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.

Any failure to comply with applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.

The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement and formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this Announcement (including custodians, nominees and trustees) must not distribute or send it in, into or from a Restricted Jurisdiction.

Forward-looking statements

*This Announcement may contain certain **"forward-looking statements"** with respect to Daisy, the Daisy Group, ECSC and/or the ECSC Group. All statements other than statements of historical fact, are or may be deemed to be, forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are therefore subject to known and unknown risks and uncertainties which could cause actual results, performance or events to differ materially from the future results, performance or events expressed or implied by the forward-looking statements. Forward-looking statements often, but not always, use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Daisy Group or the ECSC Group and potential synergies resulting from the Acquisition; and (iii) the expected timing and scope of the Acquisition. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.*

Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this Announcement. Any forward-looking statements made in this Announcement on behalf of Daisy or ECSC are made as of the date of this Announcement based on the opinions and estimates of directors of Daisy or ECSC, respectively. Each of Daisy, any company in the Daisy Group, ECSC, any company in the ECSC Group and their respective members, directors, officers, employees, advisers and any person acting on behalf of one or more of them, expressly disclaims any intention or obligation to update or revise any forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except as required by applicable law. None of Daisy, any company in the Daisy Group, ECSC, or any company in the ECSC Group, or their respective members, directors, officers or employees, advisers or any person acting on their behalf, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur.

No forward-looking or other statements have been reviewed by the auditors of Daisy or any company in the Daisy Group or ECSC. All subsequent oral or written forward-looking statements attributable to Daisy, any company in the Daisy Group, ECSC, or any company in the ECSC Group or to any of their

respective members, directors, officers, advisers or employees or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above.

No profit forecasts or estimates

Save as expressly set out herein, no statement in this Announcement is intended, or shall be deemed to be as a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that cash flow from operations, earnings or earnings per ordinary share, or income for ECSC for the current or future financial years would necessarily match or exceed the historical published cash flow from operations, earnings, earnings per share or income of ECSC.

Right to switch to a Takeover Offer

Daisy reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of ECSC as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Daisy so decides (with the consent of the Takeover Panel), on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Appendix I to this Announcement.

Publication on website and availability of hard copies

In accordance with Rule 26.1 and 26.2 of the Code, a copy of this Announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/ and ECSC's website at www.ecsc.co.uk by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.

In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting EY on +44 (0) 20 7951 2000 or Allenby Capital on +44 (0) 20 3328 5656. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

Information relating to ECSC Shareholders

Please be aware that addresses, electronic addresses and certain information provided by ECSC Shareholders, persons with information rights and other relevant persons for the receipt of communications from ECSC may be provided to Daisy during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror, and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Takeover Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 2.9 disclosure

In accordance with Rule 2.9 of the Code, ECSC confirms that, as at the close of business on the Last Practicable Date, it has 10,007,588 ordinary shares of 1 pence each in issue and admitted to trading

on the AIM market of the London Stock Exchange. The Company does not hold any ECSC Shares in treasury. The International Securities Identification Number for ECSC Shares is GB00BYMJ4J99.

Electronic communications

Please be aware that all addresses, electronic addresses (if any) and certain other information provided by the ECSC Shareholders, persons with information rights and other relevant persons for the receipt of communications from ECSC may be provided to offerors (including Daisy) during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

General

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.

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FOR IMMEDIATE RELEASE

31 March 2023

RECOMMENDED CASH ACQUISITION

of

ECSC GROUP PLC

by

DAISY CORPORATE SERVICES TRADING LIMITED

to be effected

by way of a Court-sanctioned scheme of arrangement

under Part 26 of the Companies Act 2006

1. Introduction

The boards of Daisy Corporate Services Trading Limited ("**Daisy**") and ECSC Group plc ("**ECSC**" or the "**Company**") are pleased to announce that they have reached agreement on the terms of a recommended cash acquisition by Daisy of the entire issued and to be issued share capital of ECSC (the "**Acquisition**"). It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act and will be subject to approval of the Scheme at the Court Meeting and the Resolutions at the General Meeting.

2. The Acquisition

The Acquisition, which will be on the terms and subject to the Conditions set out below and in Appendix I to this Announcement, and to be set out in the Scheme Document, will be made on the following basis:

54.02 pence in cash for each ECSC Share

The Acquisition values the entire issued and to be issued ordinary share capital of ECSC at approximately £5.4 million.

The Cash Consideration represents a premium of approximately:

- 170.1 per cent. to the closing price of 20.0 pence per ECSC Share on the Last Practicable Date;
- 138.0 per cent. to the volume weighted average price per ECSC Share for the three month period ended on the Last Practicable Date; and
- 46.0 per cent. to the volume weighted average price per ECSC Share for the twelve month period ended on the Last Practicable Date.

The Acquisition is conditional, amongst other things, on the Scheme becoming Effective no later than the Long Stop Date.

The ECSC Shares will be acquired by Daisy with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of this Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this Announcement in respect of the ECSC Shares.

If any dividend or other distribution in respect of the ECSC Shares is declared, paid or made on or after the date of this Announcement, Daisy reserves the right to reduce the consideration payable for each ECSC Share under the terms of the Acquisition by the amount per ECSC Share of such dividend or distribution although, in such circumstances, ECSC Shareholders would be entitled to retain any such dividend or distribution declared, made or paid.

3. Recommendation

The ECSC Directors, who have been so advised by Allenby as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing financial advice to the ECSC Directors, Allenby has taken into account the commercial assessments of the ECSC Directors. Allenby is providing independent financial advice to the ECSC Directors for the purposes of Rule 3 of the Code.

Accordingly, the ECSC Directors intend to recommend unanimously that ECSC Shareholders vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, accept, or procure acceptances of, such Takeover Offer), as all the ECSC Directors who hold Scheme Shares (in a personal capacity or through members of their immediate families, related trusts or a nominee or nominees) have irrevocably undertaken to do, or procure to be done, in respect of their own beneficial holdings in respect of 2,686,544 ECSC Shares, representing, in aggregate, 26.85 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.

Under the terms of his service contract, Matthew Briggs (Chief Executive Officer of ECSC) is contractually entitled to a cash bonus of £167,143 upon the sale of ECSC which is calculated as follows: (i) 50% of his base salary plus car allowance; and (ii) 1.5% of the purchase price

payable on the sale of ECSC. This bonus would be payable to Matthew Briggs upon the Scheme becoming Effective, which is expected in early June 2023.

4. Background to, and reasons for, the Acquisition

The Acquisition will be completed by Daisy Corporate Services (“DCS”) which focuses on secure IT, communications, cloud services, operational resilience and cyber security solutions for mid-market, large corporate enterprises and public sector organisations.

The Daisy Directors believe that ECSC represents an opportunity to acquire a cyber focussed company which is a strong fit with the existing business and operations of the Cyber & Operational Resilience Division of Daisy Corporate Services. Enhancing the Daisy Corporate Services cyber capability is a key strategic priority to facilitate DCS growth plans and to meet customer demand. ECSC provides highly complementary services (within high growth markets) to DCS's current Operational Resilience offerings. In addition, the Acquisition will provide significant opportunities for cross-selling into Daisy's wider Managed Service customer base.

5. Background to, and reasons for, the recommendation

The ECSC Directors have evaluated the terms of the Acquisition on behalf of ECSC Shareholders as a whole and, as a board, have held discussions with Daisy regarding those terms. These discussions have resulted in the Acquisition being proposed to be made 54.02 pence in cash for each ECSC Share.

The ECSC Directors are fully confident in the ongoing execution of its strategy under the leadership of Matthew Briggs (who was appointed as CEO on 28 July 2022) as a standalone business and that this strategy would continue to deliver long-term value for ECSC Shareholders.

However, the ECSC Directors are cognisant that the current strategy is likely to take a period of time to fully implement, especially given that Managed and Detection Response contracts typically take several months from first contact to the execution of a contract.

In addition, whilst the outlook for ECSC's strategy is favourable, it will require scale to take full advantage of the opportunities available, and to fulfil its full potential. ECSC may also need to access additional growth capital to strengthen its balance sheet.

The ECSC Directors do not believe that access to such additional capital is readily available to ECSC via the capital markets at a price that would enable it to deliver shareholder value in the short to medium term. The ECSC Directors believe that the Acquisition will provide the necessary resources required to scale the ECSC business whilst also removing the costs and regulatory constraints of being a UK publicly quoted company.

Taking this into account, together with, *inter alia*, the significant share price premium offered and the substantial cross-selling opportunities that are likely to be provided by becoming part of the wider Daisy Group, the board of ECSC believes that the rationale for the Acquisition is compelling and that the terms of the Acquisition recognise the quality of ECSC's business, its potential and longer-term prospects.

In reaching its conclusion, the ECSC Board considered:

- the terms of the Acquisition in relation to the value and prospects of ECSC's business;
- that the Cash Consideration under the Acquisition represents the premia set out in paragraph 2 above;
- the great importance that Daisy attaches to the skills, knowledge, and expertise of ECSC's existing management and employees and the recognition that the skillset of the employees is a key driver of the Acquisition. The ECSC Directors also note that Daisy will focus on the successful operational and cultural integration of the ECSC employees.
- the impact of the Acquisition on all stakeholders, including Daisy's intentions for the ECSC business, including continuing office presence in Bradford and the assurances given by Daisy in relation to ECSC employees;
- that the combination with Daisy's extensive client base will provide the ingredients for what the ECSC Directors believe could become the UK's leading cyber security organisation whilst also potentially delivering 'best in class' cyber solutions to current and future clients;
- that Daisy intends to carry out an integration review of ECSC's business in order to determine the best way to combine ECSC's and Daisy's businesses. Following the review, Daisy has stated that integration decisions could involve headcount reduction although assurances have been given that such reduction in headcount should be limited in numbers and will be focused on duplicate roles, in particular back office staff. Daisy has also indicated that finalisation of the integration plan will be subject to engagement with appropriate stakeholders; and
- that the Acquisition provides ECSC Shareholders with the opportunity to receive full cash value for ECSC now, without any of the inherent execution, industry and macroeconomic risks facing the business.

The ECSC Board believes that at the current time the Acquisition is the optimal strategy available to the management of ECSC to enable shareholders to realise value from their investment in ECSC.

Accordingly, following careful consideration of the above factors, the ECSC Directors believe that the Acquisition is in the best interests of ECSC Shareholders, as a whole, and therefore unanimously intend to recommend the Acquisition to ECSC Shareholders.

6. Irrevocable undertakings

Daisy has received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Daisy, with the consent of the Takeover Panel, exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) from all of the ECSC Directors who hold ECSC Shares (in a personal capacity or through members of their immediate families, related trusts or a nominee or nominees) in respect of their entire beneficial holdings (and the beneficial holdings of members of their immediate families or related trusts

or their nominee(s)) of ECSC Shares, amounting to 2,686,544 ECSC Shares, in aggregate, representing approximately 26.85 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.

Daisy has also received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) from ECSC Shareholders in respect of 910,764 ECSC Shares, in aggregate, representing approximately 9.10 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.

Therefore, as at the date of this Announcement, Daisy has received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) with respect to a total of 3,597,308 ECSC Shares, in aggregate, representing approximately 35.95 per cent. of the ECSC Shares in issue as at the close of business on the Last Practicable Date.

Full details of the irrevocable undertakings received by Daisy are set out in Appendix III to this Announcement.

7. Information on the Daisy Group and Daisy

Daisy Group is an independent UK provider of end-to-end business technology and communications services to small-to-medium, mid-market and large enterprises. Over the last two decades, Daisy Group has grown to be one of the largest providers of communications and IT solutions across the UK.

The Daisy Group has successfully executed multiple acquisitions as part of its corporate development strategy which has created a diverse and well-balanced product portfolio, to meet the evolving needs of its customers.

Daisy Corporate Services (DCS) has a portfolio spanning Modern Workplace, Connectivity, Unified Communications, Cloud, Cyber Security and Operational Resilience, serving more than 2,000 businesses across all sectors. DCS's growth plans include offering end to-end-cyber security solutions by leveraging its technical expertise, brand strength and strong partnerships with its clients and vendors.

8. Information on ECSC

Established in 2000 by Ian Mann, ECSC is a full service cyber security service provider. ECSC provides expert security breach prevention, detection and response support to organisations across all sectors.

ECSC operates from two Security Operations Centres (SOCs), one in Yorkshire, UK, and the other in Brisbane, Australia. ECSC's Managed and Detection Response ("MDR") division offers flexible 24/7/365 cyber security managed detection and response support to its client. ECSC's

Assurance Division provides guidance, certification to industry standards and extensive testing services to allow organisations to improve, and demonstrate, their cyber security effectiveness.

ECSC's client base ranges from e-commerce start-ups to global blue-chip organisations.

In the year to 31 December 2021, ECSC generated revenue of £6.1 million and an adjusted EBITDA of £0.2 million.

9. Financing

The Cash Consideration payable to Scheme Shareholders under the terms of the Acquisition will be funded from the existing cash resources of the Daisy Group.

EY, as financial adviser to Daisy, is satisfied that sufficient cash resources are available to Daisy to enable it to satisfy, in full, the consideration payable to ECSC Shareholders under the terms of the Acquisition.

10. Management, employees, research and development and locations of the ECSC Group

Daisy attaches great importance to the skills, knowledge, and expertise of ECSC's existing management and employees. Due to the nature of the ECSC business, the skillset of the employees is a key driver of the rationale for the Acquisition and Daisy intends to focus on the successful operational and cultural integration of the ECSC employees. Daisy confirms that it intends to safeguard fully the existing employment and pension rights of all ECSC management and employees in accordance with applicable law and to comply with ECSC's pension obligations for existing employees and members of ECSC's pension schemes.

After the Scheme becomes effective, Daisy intends to engage with ECSC employees in order to carry out an integration review of ECSC's business with the aim of determining the best way to combine ECSC's and Daisy's businesses. The review is expected to take approximately three months to complete and will focus on establishing an integration plan to maximise the complementary strengths of ECSC's and Daisy's respective businesses. It is anticipated that the integration plan will include steps that can be taken to realise cost synergies from combining the two businesses and this may include supplier consolidation and headcount synergies. Daisy anticipates that there will be limited headcount reductions across ECSC Group as a whole, with the most significant of the headcount reductions being duplicate roles, particularly back office functions. The back office functions currently represent approximately 20% of total ECSC headcount.

Whilst Daisy currently has no plans to move ECSC staff from the Bradford head office, dependant on the outcome of lease negotiations in respect of ECSC's Bradford office, which would be expected to occur during the second half of 2023, Daisy will also consider whether to integrate ECSC's Bradford office with Daisy's nearby office in Birstall into one location.

Following completion of the Acquisition, a number of PLC-related functions will be removed as these will be unnecessary, which will require headcount reduction. However, save as noted herein, Daisy does not intend to make any material changes to the conditions of employment or the balance of skills and functions of the employees of ECSC.

Save as referred to above, Daisy confirms that it has no plans currently to: (i) change the principal locations of ECSC's business; (ii) redeploy any of ECSC's material fixed assets; or (iii) make any material changes to ECSC's research and development functions.

11. Current trading and outlook

Outlook

On 28 February 2023 ECSC announced an unaudited trading update for the 12 months ended 31 December 2022. Following a stronger second half of trading, ECSC anticipates reporting revenues for the year ended 31 December 2022 of £5.8 million and a small loss for the year at the adjusted EBITDA level.

The assurance division (testing, standards and certification services) generated revenue growth of 10% in the second half of the year to £1.62 million while ECSC expects to report Assurance revenue for the year ended 31 December 2022 of £3.1 million.

During the year ECSC won new contracts in its MDR division across a range of sectors. When combined with successful MDR renewals, the MDR order book grew to £2.3 million as at 31 December 2022 (31 December 2021: £2.2 million).

Closing cash balances as at the end of December 2022 amounted to £0.6 million and ECSC had net borrowings of £0.9 million as at that date.

12. Rule 28 of the Takeover Code

For the purposes of Rule 28 of the Takeover Code, the Company restates the profit forecast given in its trading update on 28 February 2023 of a small, adjusted EBITDA loss for the year ended 31 December 2022. The ECSC Directors believe that this remains valid and confirm that the profit forecast has been properly compiled on the basis of the assumptions stated and that the basis of accounting used is consistent with the Company's accounting policies.

13. Acquisition-related arrangements

Confidentiality Agreement

Daisy Intermediate Holdings Limited (a holding company of Daisy) and ECSC entered into a confidentiality agreement on 30 November 2022 pursuant to which Daisy and members of the Daisy Group have agreed to keep confidential information about ECSC and not to disclose to third parties (other than permitted recipients and with certain other customary exceptions) confidential information disclosed by ECSC unless required by law or regulation. These confidentiality obligations remain in force until the earlier of completion of the Acquisition or 30 November 2025.

Service Agreement Bonus

Under the terms of his service contract, Matthew Briggs (Chief Executive Officer of ECSC) is contractually entitled to a cash bonus of £167,143 upon the sale of ECSC which is calculated as follows: (i) 50% of his base salary plus car allowance; and (ii) 1.5% of the purchase price payable on the sale of ECSC. This bonus would be payable to Matthew Briggs upon the Scheme becoming Effective, which is expected in early June 2023.

14. Structure of the Acquisition

Scheme

It is intended that the Acquisition will be effected by way of a Court-sanctioned scheme of arrangement between ECSC and the Scheme Shareholders under Part 26 of the Companies Act.

The purpose of the Scheme is to provide for Daisy to become the owner of the entire issued and to be issued ordinary share capital of ECSC. Under the Scheme, the Acquisition is to be achieved by the:

- transfer of the Scheme Shares held by Scheme Shareholders to Daisy in consideration for which the ECSC Shareholders will receive cash consideration on the basis set out in paragraph 2 (The Acquisition) of this Announcement; and
- passing of the Resolutions at the General Meeting (including amendments to ECSC's articles of association to ensure that any ECSC Shares issued between approval of the Scheme at the Court Meeting and the Scheme Record Time will be subject to the Scheme and that any ECSC Shares issued after the Scheme Record Time will automatically be acquired by Daisy).

Approval by Court Meeting and General Meeting

In order to become Effective, the Scheme requires the:

- (a) satisfaction (or, where applicable, waiver) of the Conditions;
- (b) approval of a majority in number of the Scheme Shareholders who vote, representing not less than 75 per cent. in value of the Scheme Shares voted, either in person or by proxy, at the Court Meeting; and
- (c) approval by the requisite majority of the Resolutions at the General Meeting (to be held directly after the Court Meeting) necessary in order to implement the Scheme.

Application to Court to sanction the Scheme

Once the requisite approvals have been obtained at the Court Meeting and the General Meeting and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court at the Court Hearing.

The Scheme will become Effective in accordance with its terms on delivery of the Court Order to the Registrar of Companies. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended and/or voted at the Court Meeting or General Meeting, or whether they voted in favour of, or against, the Scheme.

Full details of the Scheme to be set out in the Scheme Document

The Scheme will be subject to the satisfaction (or, where applicable, waiver) of the Conditions and the full terms and conditions to be set out in the Scheme Document. Further details of the Scheme will be set out in the Scheme Document, including the expected timetable and the action to be taken by Scheme Shareholders.

The Scheme will be governed by the laws of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange, the FCA and the AIM Rules.

If the Scheme does not become effective on or before the Long Stop Date (or such later date as Daisy and ECSC may, with the consent of the Takeover Panel and, if required, the Court, agree) it will lapse and the Acquisition will not proceed (unless the Takeover Panel otherwise consents).

It is expected that the Scheme Document will be posted to ECSC Shareholders, and, for information only, to participants in the ECSC Share Schemes, along with the notices of the Court Meeting and the General Meeting and the Forms of Proxy, within 28 days of the date of this Announcement, unless Daisy and ECSC otherwise agree, and the Takeover Panel consents, to a later date.

Conditions to the Acquisition

The Acquisition will be subject to the Conditions and further terms set out in Appendix I to this Announcement and to be set out in the Scheme Document.

The Scheme will be conditional, amongst other things, upon:

- (a) the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders entitled to vote and present and voting, either in person or by proxy, at the Court Meeting or at any adjournment, postponement or reconvention of such meeting to be held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Daisy and ECSC and the Court may allow);
- (b) the passing of the Resolutions by the requisite majority at the General Meeting or at any adjournment, postponement or reconvention of that meeting to be held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document (or such later date, if any, as Daisy and ECSC may agree and the Court may allow); and
- (c) the sanction of the Scheme on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Daisy and ECSC and the Court may allow) and the delivery of an office copy of the Court Order to the Registrar of Companies.

Scheme timetable / further information

- (d) A full anticipated timetable will be set out in the Scheme Document which will be posted to ECSC Shareholders and, for information only, to participants in the ECSC Share Schemes, along with the notices of the Court Meeting and the General Meeting and the Forms of Proxy, within 28 days of the date of this Announcement (unless Daisy and ECSC otherwise agree, and the Takeover Panel consents, to a later date). Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/ and ECSC's website at www.ecsc.co.uk

At this stage, subject to the approval and availability of the Court (which is subject to change), Daisy and ECSC expect the Scheme to become Effective at the beginning of June 2023.

Right to switch to a Takeover Offer

Daisy reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of ECSC as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Daisy so decides (with the consent of the Takeover Panel), on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in paragraph 5 of Part B of Appendix I to this Announcement.

15. Cancellation of admission to trading on AIM and re-registration

Prior to the Scheme becoming Effective and subject to any applicable requirements of the AIM Rules, Daisy intends to procure the making of an application by ECSC for cancellation of the admission to trading on AIM of the ECSC Shares on the first Business Day following the Effective Date.

Share certificates in respect of the ECSC Shares will cease to be valid and should be destroyed following the Effective Date. In addition, entitlements to ECSC Shares held within the CREST system are expected to be cancelled on the first Business Day following the Effective Date.

As soon as practicable after the Effective Date and after the cancellation of the admission to trading on AIM of the ECSC Shares, it is intended that ECSC will be re-registered as a private limited company under the relevant provisions of the Companies Act.

16. ECSC Share Schemes

As at the Last Practicable Date 1,013,702 options remained outstanding under the ECSC Share Schemes, of which 6,411 have an exercise price below 54.02 pence and will be valid for exercise prior to the Effective Date.

With the consent of the Takeover Panel no proposals will be made under Rule 15 of the Code to participants in the ECSC Share Schemes whose options have an exercise price above 54.02 pence. An appropriate proposal will be made in respect of those options with an exercise price below 54.02 pence.

Participants will be contacted regarding the effect of the Acquisition on their rights under the ECSC Share Plans. Further details of the impact of the Scheme on the options outstanding under the ECSC Share Schemes will be set out in the Scheme Document.

17. Disclosure of interests in ECSC

As at the close of business on the Last Practicable Date, save for the irrevocable undertakings referred to in paragraph 6 (Irrevocable undertakings) above, none of Daisy nor any Daisy Director nor, so far as Daisy is aware, any person acting, or deemed to be acting, in concert with Daisy:

- (a) had an interest in, or right to subscribe for, relevant securities of ECSC;

- (b) had any short position in (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, relevant securities of ECSC;
- (c) had procured an irrevocable commitment or letter of intent to accept the terms of the Acquisition in respect of relevant securities of ECSC; or
- (d) had borrowed or lent any ECSC Shares.

Furthermore, save for the irrevocable undertakings described in paragraph 6 (Irrevocable undertakings) above, no arrangement exists between Daisy or ECSC or a person acting in concert with Daisy or ECSC in relation to ECSC Shares. For these purposes, an "arrangement" includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to ECSC Shares which may be an inducement to deal or refrain from dealing in such securities.

18. General

The Acquisition will be subject to the Conditions and other terms set out in this Announcement and to the full terms and conditions which will be set out in the Scheme Document. Appendix I to this Announcement contains a summary of the principal terms and conditions. It is expected that the Scheme Document will be posted to ECSC Shareholders, and, for information only, to participants in the ECSC Share Schemes, along with the notices of the Court Meeting and the General Meeting and the Forms of Proxy, within 28 days of the date of this Announcement, unless Daisy and ECSC otherwise agree, and the Takeover Panel consents, to a later date.

In deciding whether or not to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, ECSC Shareholders should rely on the information contained, and follow the procedures described, in the Scheme Document.

EY and Allenby have each given and not withdrawn their consent to the publication of this Announcement with the inclusion herein of the references to their names in the form and context in which they appear.

Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.

19. Documents on display

- (a) Copies of this Announcement and the following documents will, by no later than 12 noon on the Business Day following the date of this Announcement, be made available on Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/ and ECSC's website at www.ecsc.co.uk until the end of the Offer Period:
 - the Confidentiality Agreement;
 - the written consents provided by each of EY and Allenby;

- the irrevocable undertakings referred to in paragraph 6 (Irrevocable undertakings) above and described in Appendix III to this Announcement.

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Ernst & Young LLP ("EY"), which is authorised and regulated by the Financial Conduct Authority ("FCA") in the United Kingdom, is acting exclusively for Daisy and for no one else in connection with the matters set out in this Announcement. EY will not regard any other person as its client in relation to the matters referred to in this Announcement and will not be responsible to anyone other than Daisy for providing the protections afforded to clients of EY nor for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement. Neither EY nor any of its 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 of EY in connection with the matters referred to in this Announcement, or otherwise.

Allenby Capital Limited ("Allenby"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in connection with matters set out in this Announcement. Allenby will not regard any other person as its client in relation to the matters referred to in this Announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Allenby, or for providing advice in relation to the Acquisition, the contents of this Announcement or any other matters referred to in this Announcement. Neither Allenby nor any of its 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 of Allenby in connection with the matters referred to in this Announcement, or otherwise.

This Announcement is for information purposes only and is not intended to and does not constitute, or form part of, any offer, invitation, inducement or the solicitation of an offer to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of or exercise rights in respect of any securities, or the solicitation of any vote or approval of an offer to buy securities in any jurisdiction (pursuant to the Acquisition or otherwise) nor shall there be any sale, issuance or transfer of any securities pursuant to the Acquisition in any jurisdiction in contravention of any applicable laws.

The Acquisition will be made solely through the Scheme Document and the accompanying Forms of Proxy, which will contain the full terms and conditions of the Acquisition and the Scheme, including details of how to vote in respect of the Acquisition and the Scheme. Any approval, decision or other response to the Acquisition and/or the Scheme should be made only on the basis of the information in the Scheme Document. Scheme Shareholders are strongly advised to read the formal documentation in relation to the Acquisition and the Scheme carefully once it becomes available because it will contain important information relating to the Acquisition.

This Announcement does not constitute a prospectus or a prospectus equivalent document.

This Announcement has been prepared for the purpose of complying with English law, the Code and the AIM Rules and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set out in this Announcement since such date.

Overseas shareholders

The release, publication or distribution of this Announcement in certain jurisdictions other than the United Kingdom may be restricted by law and the ability of ECSC Shareholders who are not resident in the United Kingdom to participate in the Acquisition may be restricted by the laws and/or regulations of those jurisdictions. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe, any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their ECSC Shares at the Court Meeting and/or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their ECSC Shares in respect of the Court Meeting and/or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.

Any failure to comply with applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.

The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and no person may vote in favour of the Acquisition by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement and formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this Announcement (including custodians, nominees and trustees) must not distribute or send it in, into or from a Restricted Jurisdiction.

Forward-looking statements

*This Announcement may contain certain "**forward-looking statements**" with respect to Daisy, the Daisy Group, ECSC and/or the ECSC Group. All statements other than statements of historical fact, are or may be deemed to be, forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are therefore subject to known and unknown risks and uncertainties which could cause actual results, performance or events to differ materially from the future results, performance or events expressed or implied by the forward-looking statements. Forward-looking statements often, but not always, use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Daisy Group or the ECSC Group and potential synergies resulting from the Acquisition; and (iii) the expected timing and scope of the Acquisition. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.*

Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date of this Announcement. Any forward-looking statements made in this Announcement on behalf of Daisy or ECSC are made as of the date of this Announcement based on the opinions and estimates of directors of Daisy or ECSC, respectively. Each of Daisy, any company in the Daisy Group, ECSC, any company in the ECSC Group and their respective members, directors, officers, employees, advisers and any person acting on behalf of one or more of them, expressly disclaims any intention or obligation to update or revise any forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except as required by applicable law. None of Daisy, any company in the Daisy Group, ECSC or any company in the ECSC Group, nor their respective members, directors, officers or employees, advisers or any person acting on their behalf, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur.

No forward-looking or other statements have been reviewed by the auditors of Daisy or ECSC. All subsequent oral or written forward-looking statements attributable to Daisy, any member of the Daisy Group, ECSC or any company in the ECSC Group or to any of their respective members, directors, officers, advisers or employees or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above.

No profit forecasts or estimates

Save as expressly set out herein, no statement in this Announcement is intended, or shall be deemed to be as a profit forecast or profit estimate for any period and no statement in this Announcement should be interpreted to mean that cash flow from operations, earnings or earnings per ordinary share, or income for ECSC for the current or future financial years would necessarily match or exceed the historical published cash flow from operations, earnings, earnings per share or income of ECSC.

Right to switch to a Takeover Offer

Daisy reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of ECSC as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Daisy so decides (with the consent of the Takeover Panel), on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Appendix I to this Announcement.

Publication on website and availability of hard copies

In accordance with Rule 26.1 and 26.2 of the Code, a copy of this Announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/ and ECSC's website at www.ecsc.co.uk by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.

In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting EY on +44 (0) 20 7951 2000 or Allenby Capital on +44 (0) 20 3328 5656. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

Information relating to ECSC Shareholders

Please be aware that addresses, electronic addresses and certain information provided by ECSC Shareholders, persons with information rights and other relevant persons for the receipt of communications from ECSC may be provided to Daisy during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror, and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Takeover Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Rule 2.9 disclosure

In accordance with Rule 2.9 of the Code, ECSC confirms that, as at the close of business on the Last Practicable Date, it has 10,007,588 ordinary shares of 1 penny each in issue and admitted to trading on the AIM market of the London Stock Exchange. The Company does not hold any ECSC Shares in treasury. The International Securities Identification Number for ECSC Shares is GB00BYMJ4J99.

Electronic communications

Please be aware that all addresses, electronic addresses (if any) and certain other information provided by the ECSC Shareholders, persons with information rights and other relevant persons for the receipt of communications from ECSC may be provided to offerors (including Daisy) during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

APPENDIX I

CONDITIONS AND CERTAIN FURTHER TERMS OF THE ACQUISITION

Part A: Conditions to the Scheme and the Acquisition

The Acquisition is conditional upon the Scheme becoming unconditional and effective, subject to the Code, by not later than 5pm on the Long Stop Date or such later date (if any) as Daisy and ECSC may agree and (if required) the Court and Takeover Panel allow.

1. The Scheme shall be subject to the following conditions:
 - (a)
 - (i) its approval by a majority in number of the ECSC Shareholders who are on the register of members of ECSC at the Voting Record Time and who are present and vote, whether in person or by proxy, at the Court Meeting (or at any adjournment thereof) (and at any separate class meeting which may be required by the Court) and who represent 75 per cent. or more in value of the ECSC Shares voted by those ECSC Shareholders; and
 - (ii) such Court Meeting (or any adjournment thereof) being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document (or such later date, if any, as Daisy and ECSC may agree with the consent of the Takeover Panel and the Court may allow);
 - (b)
 - (i) the passing of the Resolutions by the requisite majorities at the General Meeting (or at any adjournment thereof); and
 - (ii) such General Meeting (or any adjournment thereof) being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document (or such later date, if any, as Daisy and ECSC may agree with the consent of the Takeover Panel and the Court may allow);
 - (c)
 - (i) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Daisy and ECSC) at the Court Hearing; and
 - (ii) such Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document (or such later date, if any, as Daisy and ECSC may agree with the consent of the Takeover Panel and the Court may allow); and
 - (d) delivery of a copy of the Court Order to the Registrar of Companies.

2. In addition, subject as stated in Part B below and to the requirements of the Takeover Panel and in accordance with the Code, the Acquisition shall be conditional upon the following Conditions and, accordingly, the Court Order shall not be delivered to the Registrar of Companies unless the Conditions referred to in this paragraph 2 (as amended, if appropriate) have been satisfied or, where relevant, waived prior to the Scheme being sanctioned by the Court in accordance with the Condition in paragraph 1(c)(i) above:

(a) **NS&I Act**

a notification having been made and accepted under the NS&I Act and one of the following having occurred:

- (i) the Secretary of State confirming before the end of the 30 working days review period that no further action will be taken in relation to the Acquisition; or
- (ii) the receipt of a final notification confirming that the Secretary of State will take no further action in relation to the call-in notice and the Acquisition pursuant to section 26(1)(b) of the NS&I Act; or
- (iii) the Secretary of State makes a final order pursuant to section 26(1)(a) of the NS&I Act in relation to the Acquisition, provided that such an order would not prevent completion of the Acquisition, and subject to such remedies or conditions under Part 2 of the NS&I Act as are reasonably acceptable to Daisy (and, to the extent relevant, all conditions or obligations contained in such an order necessary for completion of the Acquisition having been satisfied or complied with or any restriction preventing completion of the Acquisition having been lifted or released);

(b) **Antitrust and regulatory**

no Third Party (including antitrust regulators) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to, in any case to an extent or in a manner which is or would be material and adverse in the context of the Wider ECSC Group taken as a whole or in the context of the Acquisition:

- (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Daisy Group or by any member of the Wider ECSC Group of all or any material part of their respective businesses, assets, properties or any shares or other securities (or the equivalent) in any member of the Wider ECSC Group or any member of the Daisy Group or impose any material limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their respective assets or properties (or any part thereof);

- (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act in the event that Daisy elects to implement the Acquisition by way of a Takeover Offer, require any member of the Daisy Group or the Wider ECSC Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider ECSC Group or any material asset owned by any Third Party (other than in connection with the implementation of the Acquisition);
- (iii) impose any material and adverse limitation on, or result in a material and adverse delay in, the ability of any member of the Daisy Group, directly or indirectly, to acquire, hold or exercise effectively all or any rights of ownership in respect of shares or loans or securities convertible into shares or other securities (or the equivalent) in ECSC or on the ability of any member of the Wider ECSC Group or any member of the Daisy Group, directly or indirectly, to hold or exercise effectively all or any rights of ownership in respect of shares or loans or any other securities (or the equivalent) in, or to exercise voting or management control over, any other member of the Wider ECSC Group;
- (iv) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, ECSC by any member of the Daisy Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, prevent or prohibit, restrict, restrain or delay or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge, impede, interfere or require material and adverse amendment to the terms of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, ECSC by any member of the Daisy Group;
- (v) impose any material limitation on, or result in material delay in, the ability of any member of the Daisy Group or any member of the Wider ECSC Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Daisy Group and/or the Wider ECSC Group;
- (vi) result in any member of the Wider ECSC Group or any member of the Daisy Group ceasing to be able to carry on business under any name under which it currently does so in any jurisdiction (the consequences of which are material and adverse in the context of either the Daisy Group or the Wider ECSC Group, taken as a whole); or
- (vii) otherwise materially and adversely affect all or any of the business, assets, liabilities or profits, of any member of the Wider ECSC Group or any member of the Daisy Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any relevant jurisdiction in respect of the Acquisition or the

acquisition or proposed acquisition of any ECSC Shares or other securities in, or control or management of, ECSC or otherwise intervene having expired, lapsed or been terminated;

(c) **Other regulatory approvals**

each Governmental Entity, which regulates or licenses any member of the ECSC Group or any other body corporate in which any member of the ECSC Group has an interest in shares, and whose prior approval, consent or non-objection to any change in control, or acquisition of (or increase in) control in respect of that or any other member of the ECSC Group is required, or any Governmental Entity, whose prior approval, consent or non-objection of the Acquisition is otherwise required, or from whom one or more material licences or permissions are required in order to complete the Acquisition, having given its approval, non-objection or legitimate deemed consent or consent in writing thereto and, as the case may be, having granted such licences and permissions (in each case where required and on terms reasonably satisfactory to Daisy);

(d) **Notifications, waiting periods and authorisations**

all material notifications, filings or applications which are necessary having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated or waived (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with, in each case, in respect of the Scheme and the Acquisition and all Authorisations required by applicable law in any jurisdiction for, or in respect of, the Acquisition and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, ECSC or any other member of the Wider ECSC Group by any member of the Daisy Group having been obtained in terms and in a form reasonably acceptable to Daisy from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider ECSC Group or the Daisy Group has entered into material contractual arrangements and all such Authorisations required by applicable law to carry on the business of any member of the Wider ECSC Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

(e) **ECSC Shareholder resolution**

no member of the Wider ECSC Group having taken (or agreed or proposed to take) any action that requires, or would require, the consent of the Takeover Panel or the approval of ECSC Shareholders in accordance with, or as contemplated by, Rule 21.1 of the Code unless such consent has been obtained, or the requirement for such consent is disapplied by the Takeover Panel;

(f) **Certain matters arising as a result of any arrangement, agreement, etc.**

except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider ECSC Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or subject, which, as a consequence of the Acquisition or the acquisition or the proposed acquisition by any member of the Daisy Group of any shares or other securities (or the equivalent) in ECSC or because of a change in the control or management of any member of the Wider ECSC Group or otherwise, would or might reasonably be expected to result in (in each case to an extent or in a manner which is material and adverse in the context of the Wider ECSC Group, taken as a whole):

- (i) any monies borrowed by, or any other indebtedness or liabilities, actual or contingent, of, or any grant available to, any such member being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of such member or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument or the rights, liabilities, obligations or interests of any such member in or with any other person (or any arrangement or arrangements relating to any such interests or business) being materially and adversely modified or materially and adversely affected or any material obligation or liability arising or any material and adverse action being, or becoming capable of being terminated taken or arising thereunder;
- (iv) any material liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers;
- (v) the rights, liabilities, obligations, interests or business of any such member or any member of the Wider ECSC Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any such member or any member of the Wider ECSC Group in or with any other person or body or firm or company (or any arrangement relating to any such interests or business) being or becoming capable of being terminated, or materially and adversely modified or affected or any materially onerous obligation or liability arising or any material and adverse action being taken thereunder;
- (vi) any such member ceasing to be able to carry on business under any name under which it presently carries on business; or

- (vii) the creation or acceleration of any liability (actual or contingent) by any such member other than trade creditors or other liabilities incurred in the ordinary course of business.

(g) **Certain events occurring since 30 June 2022**

except as Disclosed, no member of the Wider ECSC Group having since 30 June 2022

- (i) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of ECSC Shares out of treasury (except, where relevant, as between ECSC and wholly-owned subsidiaries of ECSC or between the wholly-owned subsidiaries of ECSC and except for the issue of ECSC Shares pursuant to or in connection with the exercise or vesting of options or awards granted under, or the grant of options or awards under the ECSC Share Schemes);
- (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of ECSC to ECSC or any of its wholly-owned subsidiaries;
- (iii) other than pursuant to the Acquisition (and except for transactions between ECSC and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of ECSC and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case to an extent which is material in the context of the Wider ECSC Group, taken as a whole;
- (iv) except for transactions between ECSC and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of ECSC and transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
- (v) except for transactions between ECSC and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of ECSC, issued, authorised or proposed or announced an intention to authorise or propose the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which, in any such case, is material in the context of the Wider ECSC Group, taken as a whole;

- (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude or which involves or could involve an obligation of a material nature or magnitude which is reasonably likely to be materially restrictive on the business of any member of the Wider ECSC Group and which, taken together with any other such contract, arrangement, agreement, transaction or commitment is material in the context of the Wider ECSC Group, taken as a whole;
- (vii) save as agreed with the Takeover Panel, entered into or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director or senior executive of any member of the Wider ECSC Group save for usual annual salary reviews, such entry, variation or authorisation being material in the context of the Wider ECSC Group taken as a whole;
- (viii) save as agreed with the Takeover Panel, proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider ECSC Group, otherwise than in the ordinary course of business and in accordance with the terms of the Acquisition;
- (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or made any other change to any part of its share capital;
- (x) waived, compromised or settled any claim where such waiver, settlement or compromise would have a material and adverse effect on the financial position of the Wider ECSC Group, taken as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider ECSC Group and any other person in a manner which would or might reasonably be expected to have a material and adverse effect on the financial position of the Wider ECSC Group, taken as a whole;
- (xii) save in connection with the Acquisition and the Scheme, made any alteration to its memorandum, articles of association or other incorporation documents or any alteration to the memorandum, articles of association or other incorporation documents of any other member of the Wider ECSC Group which is material in the context of the Wider ECSC Group;
- (xiii) other than as required by applicable law, made or agreed or consented to any significant change to:

- (A) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider ECSC Group for its directors, employees or their dependants;
- (B) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder;
- (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
- (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to,

to an extent which is in any such case material in the context of the Wider ECSC Group, taken as a whole;

- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider ECSC Group, taken as a whole;
- (xv) (other than in respect of a member of the Wider ECSC Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvi) Except for transactions between ECSC and its wholly-owned subsidiaries or between the wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital which is material in the context of the Wider ECSC Group taken as a whole;
- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities, which, in any such case, is material in the context of the Wider ECSC Group, taken as a whole; or
- (xviii) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to, or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (f);

(h) **No adverse change, litigation, regulatory enquiry or similar**

except as Disclosed, since 30 June 2022 there having been:

- (i) no material and adverse change and no circumstance having arisen which would or might reasonably be expected to result in any material and adverse change in, the business, assets, liabilities, shareholders' equity, financial or trading position or profits or operational performance of any member of the Wider ECSC Group which is material in the context of the Wider ECSC Group, taken as a whole;
- (ii) other than pursuant to the Acquisition and the Scheme no litigation, arbitration proceedings, prosecution or other legal proceedings (including, without limitation, with respect to intellectual property rights owned or used by the ECSC Group which are material in the context of the Wider ECSC Group) to which any member of the Wider ECSC Group is or may become a party (whether as a claimant, defendant or otherwise) having been announced, threatened in writing, implemented or instituted by or against or remaining outstanding against or in respect of, any member of the Wider ECSC Group, in each case which would or might reasonably be expected to have a material adverse effect on the Wider ECSC Group, taken as a whole;
- (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider ECSC Group (or any person in respect of which any such member has or may have responsibility or liability) having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of the Wider ECSC Group, in each case, which would or might reasonably be expected to have a material adverse effect on the Wider ECSC Group, taken as a whole;
- (iv) no contingent or other liability having arisen or become apparent to Daisy or increased other than in the ordinary course of business which would or might reasonably be expected to affect adversely the business, assets, financial or trading position or profits of any member of the Wider ECSC Group to an extent which is material in the context of the Wider ECSC Group, taken as a whole; and
- (v) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider ECSC Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would or might reasonably be expected to have a material adverse effect on the Wider ECSC Group, taken as a whole; or

(i) **No discovery of certain matters regarding information and liabilities, corruption and intellectual property**

except as Disclosed, Daisy not having discovered, in each case, to an extent which is material and adverse in the context of the Wider ECSC Group taken as a whole or in the context of the Acquisition, that:

- (i) any financial, business or other information concerning the Wider ECSC Group announced publicly prior to the date of this Announcement or disclosed to any member of the Daisy Group by or on behalf of any member of the Wider ECSC Group prior to the date of this Announcement is materially misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading (and which was not subsequently publicly corrected before the date of this Announcement or otherwise to Daisy or its professional advisers);
- (ii) any member of the Wider ECSC Group is subject to any liability, contingent or otherwise;
- (iii) any past or present member of the Wider ECSC Group has not complied in any material respect with all applicable legislation, regulations of any jurisdiction or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider ECSC Group;
- (iv) there has been a material disposal, discharge, spillage, accumulation, release, leak, emission or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or any substance likely to impair the environment (including any property) or harm human or animal health which (whether or not giving rise to non-compliance with any law or regulation), would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider ECSC Group;
- (v) there is, or is reasonably likely to be, any material obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, reinstate or clean up any property or asset currently or previously owned, occupied, operated or made use of or controlled by any past or present member of the Wider ECSC Group (or on its behalf), or in which any such member may have, or previously have had or be deemed to have had, an interest, under any environmental legislation, common law, regulation, notice, circular, Authorisation or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto;
- (vi) circumstances exist (whether as a result of the making of the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party

instituting (or whereby any member of the Wider ECSC Group would be likely to be required to institute) an environmental, audit or take any steps which would, in any such case, be reasonably likely to result in any actual or contingent liability to improve or install new plant or equipment or to make good, repair, reinstate or clean up any property of any description or any asset now or previously owned, occupied or made use of by any past or present member of the Wider ECSC Group (or on its behalf) or by any person for which a member of the Wider ECSC Group is or has been responsible, or in which any such member may have, or previously have had or be deemed to have had, an interest;

- (vii) any member of the Wider ECSC Group is subject to any liability, actual or contingent and which has arisen otherwise than in the ordinary course of business, which is not disclosed in the unaudited interim financial statements for the period ending 30 June 2022;
- (viii) circumstances exist whereby a person has, or class of persons have, or is reasonably likely to have, any legitimate claim or claims against any member of the Wider ECSC Group in respect of any product or process, or materials used therein, now or previously manufactured, sold, supplied or carried out by any past or present member of the Wider ECSC Group;
- (ix) any member of the Wider ECSC Group or any person that performs or has performed services for or on behalf of any such member is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other anti-corruption legislation applicable to the Wider ECSC Group; or any person that performs or has performed services for or on behalf of the Wider ECSC Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation applicable to the Wider ECSC Group;
- (x) any past or present member of the Wider ECSC Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governments or supranational body or authority in any jurisdiction;
- (xi) any asset of any member of the Wider ECSC Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- (xii) no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider ECSC Group,

which would have a material adverse effect on the Wider ECSC Group, taken as a whole, including:

- (A) any member of the Wider ECSC Group losing its title to any of its intellectual property, or any intellectual property owned by the Wider ECSC Group being revoked, cancelled or declared invalid;
- (B) any claim being asserted or threatened by any person challenging the ownership of any member of the Wider ECSC Group to, or the validity or effectiveness of, any of its intellectual property; or
- (C) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider ECSC Group being terminated or varied.

Part B: Certain further terms of the Acquisition

1. Subject to the requirements of the Takeover Panel, Daisy reserves the right in its sole discretion to waive (if capable of waiver), in whole or part:
 - (a) any of the Conditions set out in the above Condition 1 of Part A relating to the timing of the Court Meeting, the General Meeting and the sanctioning of the Scheme. If any of the deadlines for those events are not met, Daisy shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked or waived the relevant Condition or agreed with ECSC to extend the deadline in relation to the relevant Condition; and
 - (b) in whole or in part, all or any of the above Conditions 2(a) (*NS&I Act*) to (i) (*No discovery of certain matters regarding information and liabilities, corruption and intellectual property*) of Part A (inclusive),in all other respects, Conditions 1 and 2 cannot be waived.
2. Conditions 2(a) (*NS&I Act*) to (i) (*No discovery of certain matters regarding information and liabilities, corruption and intellectual property*) of Part A (inclusive) must be fulfilled or waived by no later than 11:59 p.m. on the date immediately preceding the date of the Court Hearing, failing which the Scheme will lapse or, if the Acquisition is implemented by way of a Takeover Offer, no later than as permitted by the Takeover Panel. Daisy shall be under no obligation to waive or treat as satisfied any of the Conditions by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that any such Condition or the other Conditions of the Scheme and the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5 of the Code, Daisy may not invoke a Condition so as to cause the Scheme not to proceed, or to lapse, or so as to cause any Takeover Offer to lapse or be withdrawn, unless the circumstances which give rise to the right to invoke the Condition are of material significance to Daisy in the context of the Acquisition. Condition 1 of Part A (and, if applicable, any acceptance condition adopted on the basis specified in paragraph 5 below in relation to any Takeover Offer) and paragraph 6 below are not subject to this provision of the Code.
4. If Daisy is required by the Takeover Panel to make an offer for ECSC Shares under the provisions of Rule 9 of the Code, Daisy may make such alterations to the Conditions and further terms of the Acquisition as are necessary to comply with the provisions of that Rule.
5. Daisy reserves the right to elect (with the consent of the Takeover Panel) to implement the Acquisition by making, directly or indirectly through a subsidiary or nominee of Daisy, a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on the same terms or, if Daisy so decides (with the consent of the Takeover Panel), on such other terms being no less favourable, subject to appropriate amendments, as far as applicable, as those which would apply to the Scheme. The acceptance condition would be set at 90 per cent. of the shares to which such Takeover Offer relates (or such lesser percentage, being more than 50 per cent., as Daisy may decide with the consent of the Takeover Panel). Further, if sufficient acceptances of the Takeover Offer are received and/or

sufficient ECSC Shares are otherwise acquired, it is the intention of Daisy to apply the provisions of the Companies Act to compulsorily acquire any outstanding ECSC Shares to which such Takeover Offer relates.

6. The Acquisition will lapse and shall not become effective if (unless otherwise agreed with the Takeover Panel) if:
 - (a) in so far as the Acquisition or any matter arising from or relating to the Scheme or Acquisition constitutes a concentration with a Community dimension within the scope of the Regulation, the European Commission either initiates proceedings under Article 6(1)(c) of the Regulation or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the Regulation and there is then a CMA Phase 2 Reference; or
 - (b) in so far as the Acquisition or any matter arising from the Scheme or Acquisition does not constitute a concentration with a Community dimension within the scope of the Regulation, the Scheme or Acquisition or any matter arising from or relating to the Acquisition becomes subject to a CMA Phase 2 Reference,

in each case, before the date of the Court Meeting.

7. Daisy reserves the right, with the prior consent of the Takeover Panel, for any other member of the Daisy Group from time to time to implement the Acquisition.
8. The ECSC Shares shall be acquired by Daisy, pursuant to the Acquisition, with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights and interests whatsoever and together with all rights existing at the date of this Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this Announcement in respect of the ECSC Shares.
9. Subject to the terms of the Scheme, if after the date of this Announcement but prior to the Effective Date, any dividend or other distribution is declared, paid or made or becomes payable by ECSC, Daisy reserves the right (without prejudice to any right of Daisy, with the consent of the Takeover Panel, to invoke Condition 2(g)(ii) above) to reduce the Cash Consideration payable under the terms of the Acquisition by the aggregate amount of such dividend or distribution and, accordingly, the relevant eligible ECSC Shareholders would be entitled to retain any such dividend or distribution declared, made or paid. Furthermore, Daisy reserves the right to reduce the Cash Consideration payable in respect of an ECSC Share in such circumstances as are, and by such amount as is, permitted by the Takeover Panel.

If any such dividend or distribution occurs, any reference in this Announcement to the consideration payable or the Cash Consideration shall be deemed to be a reference to the Cash Consideration as so reduced. If such reduction occurs, notwithstanding the terms on which the ECSC Shares are expressed to be acquired by Daisy pursuant to the Acquisition in Appendix I, the ECSC Shares shall be acquired by or on behalf of Daisy pursuant to the acquisition together with all rights now and hereafter attaching to such ECSC Shares including,

without limitation, voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this Announcement.

To the extent that such a dividend or distribution has been declared, paid, made or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Daisy to receive the dividend or distribution and to retain it; or (ii) cancelled, the Cash Consideration will not be subject to change in accordance with this paragraph.

Any exercise by Daisy of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Acquisition or the Scheme.

10. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom and any ECSC Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.
11. Unless otherwise determined by Daisy or required by the Code and permitted by applicable law and regulations, the Acquisition is not being, and will not be, made, directly or indirectly, in, into or by the use of the mails of, or by any other means or instrumentality (including, but not limited to, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and no person may vote in favour of the Acquisition by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction.
12. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
13. This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme and the Forms of Proxy will be governed by English law and will be subject to the jurisdiction of the English courts. The Acquisition shall be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange, the FCA and the AIM Rules.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement:

1. Unless otherwise stated, financial information relating to ECSC has been extracted or derived (without material adjustment) from the audited consolidated financial statements of ECSC for the financial year ended 31 December 2021 or ECSC's half-year report for the six months ended 30 June 2022 or the trading update announcement released by ECSC on 28 February 2023.
2. References to the existing issued share capital of ECSC are to the number of ECSC Shares in issue as at the close of business on the Last Practicable Date, which was 10,007,588 ECSC Shares. The Company does not hold any Ordinary Shares in treasury. The international securities identification number for the ECSC Shares is GB00BYMJ4J99.
3. The fully diluted share capital of ECSC has been calculated based on 10,013,999 ECSC Shares, being:
 - the number of existing ECSC Shares set out in paragraph 2 of this Appendix II above; plus
 - a further 6,411 ECSC Shares which are expected to be issued under the terms of the ECSC Share Schemes.
4. Unless otherwise stated, all prices for ECSC Shares are the mid-market Closing Price for the relevant date.
5. The Closing Prices of ECSC Shares are taken from the AIM Appendix to the London Stock Exchange Daily Official List.
6. The volume weighted average prices for ECSC Shares are taken from Bloomberg.

APPENDIX III

DETAILS OF IRREVOCABLE UNDERTAKINGS

Daisy has received irrevocable undertakings from the following holders or controllers of ECSC Shares to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer) in respect of 3,597,308 ECSC Shares, in aggregate, representing approximately 35.95 per cent. of the issued share capital of ECSC as at the close of business on the Last Practicable Date, comprised as follows:

Irrevocable undertakings

ECSC Directors

Name	Number of ECSC Shares	Percentage of ECSC Shares in issue/%
Ian Mann	2,388,756	23.87
Lucy Sharp	250,807	2.51
David Mathewson	35,419	0.35
Gemma Basharan	11,562	0.12
Total	2,686,544	26.85

Each of the ECSC Directors listed above has irrevocably undertaken to Daisy that he will exercise or, where applicable, procure the exercise of, all votes (whether on a show of hands or a poll and whether in person or by proxy) in relation to the ECSC Shares held by him or members of his immediate family, related trusts or nominee(s) (together with any ECSC Shares issued after the date of the undertaking and attributable to, or derived from, such shares) at the Court Meeting and the General Meeting (in each case, including any adjournment thereof) in favour of the Scheme and the Resolutions, respectively (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer in respect of all the ECSC Shares held by him or members of his immediate family, related trusts or nominee(s)).

These irrevocable commitments extend to any ECSC Shares arising from the exercise of options and/or awards held under the ECSC Share Schemes prior to the date of the Court Meeting and the General Meeting.

The irrevocable undertakings from the ECSC Directors will only lapse and cease to be binding if:

- the Scheme Document is not published within 28 days (or such longer period as Daisy and ECSC may agree with the consent of the Takeover Panel) after the date of this Announcement;

- the Scheme lapses or is withdrawn in accordance with its terms (for the avoidance of doubt, this shall not apply where the Scheme lapses or is withdrawn solely as a result of Daisy exercising its right to implement the Acquisition by way of Takeover Offer rather than a Scheme); or
- any event occurs or becomes known to Daisy before despatch of the Scheme Document or the Takeover Offer document (as the case may be) as a result of which the Takeover Panel requires or agrees that Daisy need not make the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced in accordance with Rule 2.7 of the Code at the same time.

ECSC Shareholders (other than the ECSC Directors)

Name	Number of ECSC Shares	Percentage of ECSC Shares in issue/%
Phil McLear	472,290	4.72
Ian Castle	237,441	2.37
Paul Lambsdown	201,033	2.01
Total	910,764	9.10

Each of the ECSC Shareholders listed above has irrevocably undertaken to Daisy that he will exercise or, where applicable, procure the exercise of, all votes (whether on a show of hands or a poll and whether in person or by proxy) in relation to the ECSC Shares held by him or members of his immediate family, related trusts or nominee(s) (together with any ECSC Shares issued after the date of the undertaking and attributable to, or derived from, such shares) at the Court Meeting and the General Meeting (in each case, including any adjournment thereof) in favour of the Scheme and the Resolutions, respectively (or, if (with the consent of the Takeover Panel) Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept, or procure acceptances of, such Takeover Offer in respect of all the ECSC Shares held by him or members of his immediate family, related trusts or nominee(s)).

The irrevocable undertakings from the ECSC Shareholders above will only lapse and cease to be binding if:

- the Scheme Document is not published within 28 days (or such longer period as Daisy and ECSC may agree with the consent of the Takeover Panel) after the date of this Announcement;
- the Scheme lapses or is withdrawn in accordance with its terms (for the avoidance of doubt, this shall not apply where the Scheme lapses or is withdrawn solely as a result of Daisy exercising its right to implement the Acquisition by way of Takeover Offer rather than a Scheme); or
- any event occurs or becomes known to Daisy before despatch of the Scheme Document or the Takeover Offer document (as the case may be) as a result of which the Takeover Panel requires

or agrees that Daisy need not make the Acquisition and no new, revised or replacement Scheme or Takeover Offer is announced in accordance with Rule 2.7 of the Code at the same time.

The irrevocable undertaking given by Ian Castle will, in addition to the above events, lapse and cease to be binding if before 3.00 p.m. on 16 May 2023, any third party announces a firm intention (in accordance with Rule 2.7 of the Code) to make an offer to acquire all of the equity share capital of ECSC (a) which is recommended by the board of ECSC, (b) the making of which is not subject to any condition precedent and (c) which in the opinion of Allenby Capital Limited values each ECSC Share at more than 10 per cent. higher than 54.02 pence.

APPENDIX IV

DEFINITIONS

1. In this Announcement, the following words and expressions have the following meanings, unless the context requires otherwise:

"Acquisition"	the recommended cash acquisition of the entire issued and to be issued ordinary share capital of ECSC to be made by Daisy to be effected by way of the Scheme (or, if Daisy so elects and subject to the Takeover Panel's consent, a Takeover Offer) on the terms and subject to the conditions set out in this Announcement and to be set out in the Scheme Document;
"AIM"	AIM, a market operated by the London Stock Exchange;
"AIM Rules"	the AIM Rules for Companies, as published by the London Stock Exchange (as amended from time to time);
"Allenby"	Allenby Capital Limited, acting as Rule 3 adviser, nominated adviser and corporate broker to ECSC;
"Announcement"	this Announcement of the Acquisition made in accordance with Rule 2.7 of the Code;
"Authorisations"	authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals;
"Business Day"	a day, other than a Saturday, Sunday, public holiday or bank holiday, on which banks are generally open for normal business in the City of London;
"Cash Consideration"	the consideration of 54.02 pence per ECSC Share, payable in cash in accordance with the terms of the Acquisition;
"Closing Price"	in respect of an ECSC Share on any particular day, the price at which the last trade was made, as derived from the AIM appendix to the Daily Official List on that day;
"CMA"	the Competition and Markets Authority, being the independent body which conducts inquiries into

	mergers, markets and the regulation of the major regulated industries in the United Kingdom (or any successor body or bodies carrying out the same functions in the United Kingdom from time to time);
"CMA Phase 2 Reference"	a reference pursuant to sections 22 or 33, 45 or 62 of the Enterprise Act 2002 of the Acquisition to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
"Code"	the City Code on Takeovers and Mergers;
"Community"	the European Community;
"Companies Act"	the Companies Act 2006, as amended;
"Conditions"	the conditions to the implementation of the Scheme and the Acquisition, which are set out in Appendix I to this Announcement and will be set out in the Scheme Document;
"Confidentiality Agreement"	the confidentiality agreement entered into on 30 November 2022 between Daisy Intermediate Holdings Limited (a holding company of Daisy) and ECSC;
"Court"	the High Court of Justice in England and Wales;
"Court Hearing"	the hearing by the Court to sanction the Scheme and, if such hearing is adjourned, references to the commencement of any such hearing shall mean the commencement of the final adjournment thereof;
"Court Meeting"	the meeting (or any adjournment, postponement or reconvention thereof) of the holders of Scheme Shares (or the relevant class or classes thereof) to be convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without modification);
"Court Order"	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act;
"CREST"	the relevant system (as defined in the Regulations) in respect of which Euroclear UK &

	Ireland Limited is the Operator (as defined in the Regulations);
"Daily Official List"	the Daily Official List of the London Stock Exchange;
"Daisy Corporate Services" or "DCS"	the Corporate Services Division of Daisy Group;
"Daisy"	Daisy Corporate Services Trading Limited, a private limited company incorporated in England and Wales with registered number 2888250 and having its registered office at Lindred House, 20 Lindred Road, Brierfield, Nelson, Lancashire BB9 5SR;
"Daisy Directors"	the directors of Daisy and Daisy Holdco;
"Daisy Group"	Daisy Holdco and its subsidiary and associated undertakings;
"Daisy Holdco"	Daisy Holdco Limited, a private limited company incorporated in England and Wales with registered number 13083567 and having its registered office at Lindred House, 20 Lindred Road, Brierfield, Nelson, Lancashire BB9 5SR;
"Dealing Disclosure"	has the same meaning as in Rule 8 of the Code;
"Disclosed"	<ul style="list-style-type: none"> (a) matters fairly disclosed in the information made available to Daisy (or Daisy's advisers) in the data room established by ECSC for the purposes of the Acquisition; (b) information included in the annual report and accounts of the ECSC Group for the financial year ended 31 December 2021; (c) information included in ECSC's half-year report for the six months ended 30 June 2022; (d) information disclosed in a public announcement to a RIS made by ECSC prior to the date of this Announcement; or (e) disclosed in this Announcement;
"Disclosure Table"	the disclosure table on the Takeover Panel's website at www.thetakeoverpanel.org.uk ;

"ECSC"	ECSC Group plc, a public limited company incorporated in England and Wales with registered number 03964848 and having its registered office at 28 Campus Road, Listerhills Science Park, Bradford, West Yorkshire, BD7 1HR;
"ECSC Articles"	ECSC's articles of association currently adopted and filed with the Registrar of Companies;
"ECSC Directors"	the directors of ECSC;
"ECSC Group"	ECSC and its subsidiaries and subsidiary undertakings;
"ECSC Share Schemes"	the ECSC Group Plc EMI Share Option Plan and the ECSC Group Plc Non-Executive Share Option Scheme, pursuant to which ECSC may grant options/awards from time to time;
"ECSC Shareholders"	the holders of ECSC Shares;
"ECSC Shares"	ordinary shares of 1 pence each in the capital of ECSC;
"Effective"	in the context of the Acquisition: (a) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies; or (b) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having become, or been declared, unconditional in all respects in accordance with the requirements of the Code;
"Effective Date"	the date upon which: <ul style="list-style-type: none"> (a) the Scheme becomes Effective; or (b) if Daisy elects for, and the Takeover Panel consents to, the implementation of the Acquisition by way of a Takeover Offer, the Takeover Offer becomes Effective;
"Excluded Shares"	any ECSC Shares legally or beneficially held by any member of the Daisy Group;

"EY"	Ernst & Young LLP, financial adviser to Daisy;
"FCA"	the UK Financial Conduct Authority or its successor from time to time;
"Forms of Proxy"	the forms of proxy for use at the Court Meeting and the General Meeting, respectively, which will accompany the Scheme Document;
"General Meeting"	the general meeting (or any adjournment, postponement or reconvention thereof) of ECSC Shareholders to be convened in connection with the Scheme;
"Governmental Entity"	any supranational, national, state, municipal, local or foreign government, any instrumentality, subdivision, court, arbitrator or arbitrator panel, regulatory or administrative agency or commission, or other authority thereof, or any regulatory or quasi-regulatory organisation or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority;
"ICT"	information and communications technology;
"Last Practicable Date"	30 March 2023, being the last practicable date prior to the publication of this Announcement;
"London Stock Exchange"	London Stock Exchange Plc;
"Long Stop Date"	31 July 2023 or such later date (if any) as Daisy and ECSC may, with the consent of the Takeover Panel, agree and (if required) the Court may allow;
"NS&I Act"	the National Security and Investment Act 2021, together with its secondary legislation and associated regulatory rules;
"Offer Period"	the period which commenced on the date of this Announcement and ending on the date on which the Acquisition becomes Effective, lapses or is withdrawn (or such other date as the Takeover Panel may decide);
"Opening Position Disclosure"	has the same meaning as in Rule 8 of the Takeover Code;

"Registrar of Companies"	the Registrar of Companies in England and Wales;
"Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
"Resolutions"	the resolutions to be proposed by ECSC at the General Meeting in connection with, amongst other things, the approval of the Scheme, the amendment of the ECSC Articles and such other matters as may be necessary to implement the Scheme and the proposed cancellation of the admission to trading on AIM of the ECSC Shares upon the Scheme becoming Effective;
"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available in that jurisdiction;
"RIS"	a service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange's website;
"Scheme"	the proposed scheme of arrangement under Part 26 of the Companies Act to effect the Acquisition between ECSC and the Scheme Shareholders (the full terms of which will be set out in the Scheme Document), with or subject to any modification, addition or condition which Daisy and ECSC may agree, and, if required, the Court may approve or impose;
"Scheme Document"	the document to be despatched to (among others) ECSC Shareholders containing, amongst other things, the terms and conditions of the Scheme, the notices convening the Court Meeting and the General Meeting and the particulars required by section 897 of the Companies Act;
"Scheme Record Time"	the time and date to be specified in the Scheme Document, expected to be 6:00 p.m. on the Business Day immediately prior to the Effective Date;

"Scheme Shareholders"	holders of Scheme Shares;
"Scheme Shares"	<p>the ECSC Shares:</p> <ul style="list-style-type: none"> (a) in issue at the date of the Scheme Document; (b) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and (c) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme or shall by such time have agreed in writing to be bound by the Scheme, <p>in each case other than any Excluded Shares;</p>
"Secretary of State"	the Secretary of State for Business and Trade;
"Substantial Interest"	in relation to an undertaking, a direct or indirect interest of 10 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
"Takeover Offer"	should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of Daisy to acquire the entire issued and to be issued ordinary share capital of ECSC and, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
"Takeover Panel"	the UK Panel on Takeovers and Mergers;
"Third Party"	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, professional or investigative body or authority (including any antitrust or merger control authority), court, trade agency, professional association, institution, works council, employee representative body or any other similar body or person whatsoever in any jurisdiction;

"Treasury Shares"	any ECSC Shares which are for the time being held by ECSC as treasury shares (within the meaning of the Companies Act);
"United Kingdom" or "UK"	the United Kingdom of Great Britain and Northern Ireland;
"United States" or "US"	the United States of America, its territories and possessions, all areas subject to its jurisdiction or any subdivision thereof, any state of the United States of America and the District of Columbia;
"US Exchange Act"	the United States Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder;
"Voting Record Time"	the date and time specified in the Scheme Document by reference to which entitlements to vote on the Scheme will be determined, expected to be 6.00 pm on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 pm on the second day before the date of such adjourned meeting;
"Wider ECSC Group"	ECSC, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which ECSC and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent; and
"£" or "pence"	pounds sterling or pence, the lawful currency of the UK.

2. In this Announcement:

- (a) all times referred to are to London time unless otherwise stated;
- (b) references to the singular include the plural and vice versa, unless the context otherwise requires;
- (c) **"subsidiary"**, **"subsidiary undertaking"** and **"undertaking"** have the meanings given by the Companies Act and *"associated undertaking"* has the meaning given to it by paragraph 19 of Schedule 6 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 1(b) thereof which shall be excluded for this purpose; and

- (d) all references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

