

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART TWO OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006. This Document contains a proposal which, if implemented, will result in the cancellation of the admission to trading of the ECSC Shares on AIM.

If you are in any doubt as to the contents of this Document or the action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are taking advice in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you sell, have sold or otherwise transferred all of your ECSC Shares, please forward this Document and the accompanying documents (other than documents or forms personal to you) at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction.

If you sell, have sold or transferred only part of your holding of ECSC Shares, you should retain these documents and should contact the bank, stockbroker or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise acquired ECSC Shares, notwithstanding receipt of this Document and any accompanying documents from the transferor, you should contact ECSC's Registrars, on the telephone number set out below, to obtain personalised Forms of Proxy.

The release, publication or distribution of this Document and any accompanying documents (in whole or in part) directly or indirectly in or into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. ECSC and Daisy disclaim any responsibility or liability for the violation of such restrictions by such persons.

Recommended Cash Acquisition of



ECSC GROUP PLC

by

DAISY CORPORATE SERVICES TRADING LIMITED

to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006

You should read carefully the whole of this Document, any information incorporated by reference into this Document and the accompanying Forms of Proxy. Your attention is drawn to the letter from the ECSC Chair in Part 1 (*Letter from Chair of ECSC*) of this Document which contains the unanimous recommendation of the ECSC Directors that you vote to approve the Scheme at the Court Meeting and vote in favour of the Special Resolution to be proposed at the General Meeting. Part 2 (*Explanatory Statement*) of this Document contains a letter from Allenby Capital Limited explaining the Scheme and constitutes an explanatory statement in compliance with section 897 of the Companies Act.

Notices of the Court Meeting and the General Meeting, both of which will be held at the offices of Freeths LLP, One Vine Street, London, W1J 0AH on 24 May 2023 are set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively. The Court Meeting will start at 11.30 a.m. and the General Meeting will start at 11.45 a.m. (or, if later, as soon as the Court Meeting has been concluded or adjourned).

The action to be taken by ECSC Shareholders in respect of the Meetings is set out on pages 8 to 10 and in paragraph 17 of Part 2 (*Explanatory Statement*) of this Document. You will find enclosed with this Document a BLUE Form of Proxy for use in connection with the Court Meeting and a WHITE Form of Proxy for use in connection with the General Meeting. Whether or not you intend to attend both or either of the Meetings in person, please complete and sign both of the enclosed Forms of Proxy and return them in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by ECSC's Registrars at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA at least 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the relevant Meeting. The Forms of Proxy have a pre-paid address for your convenience for use in the UK only. If the BLUE Form of Proxy for use at the Court Meeting is not returned by the above time, it may be handed to ECSC's Registrars (on behalf of the Chair of the Court Meeting) or to the Chair of the Court Meeting before the start of the Court Meeting and it will be valid. However, in the case of the General Meeting, unless the WHITE Form of Proxy is returned by the time noted above, it will be invalid.

Alternatively, you can submit your proxy electronically at www.sharevote.co.uk by following the instructions set out on the enclosed Forms of Proxy. Electronic proxy appointments must be received by 11.30 a.m. on 22 May 2023 in the case of the Court Meeting and by 11.45 a.m. on 22 May 2023 in the case of the General Meeting (or, in the case of an adjourned Meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) prior to the time and date set for the adjourned Meeting).

If you hold your ECSC Shares in uncertificated form (that is, in CREST) you may vote using the ECSC proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out at the end of this Document).

Proxies submitted via CREST (under CREST participant ID RA19) must be received by ECSC's Registrars not later than 11.30 a.m. on 22 May 2023 in the case of the Court Meeting and by not later than 11.45 a.m. on 22 May 2023 in the case of the General Meeting (or, in the case of an adjourned Meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) prior to the time and date set for the adjourned Meeting).

The completion and return of the Forms of Proxy or the appointment of a proxy or proxies electronically or using CREST will not prevent you from attending and voting in person at either of the Meetings, or any adjournment thereof, should you wish to do so.

If you have any questions relating to this Document or the completion and return of your Forms of Proxy, please contact the Company's Registrar's on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Company's Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Ernst & Young ("**EY**"), which is authorised and regulated by the FCA in the United Kingdom is acting exclusively as financial adviser to Daisy and for no one else in connection with the Acquisition and will not be responsible to anyone other than to Daisy for providing the protections afforded to clients of EY nor for providing advice in connection with the Acquisition, the contents of this Document or any matter or arrangement referred to herein. 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 this Document, any statement contained herein or otherwise.

Allenby Capital Limited ("**Allenby**"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for ECSC and no one else in connection with the Acquisition and will not be responsible to anyone other than ECSC for providing the protections afforded to clients of Allenby, or for providing advice in connection with the Acquisition or any matter referred to herein. 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 this Document, any statement contained herein or otherwise.

IMPORTANT NOTICES

Overseas jurisdictions

The release, publication or distribution of this Document in or into certain jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore any persons into whose possession this Document comes should inform themselves of, and observe, such restrictions.

Unless otherwise determined by Daisy or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such means from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

The availability of the Acquisition to ECSC Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

If the Acquisition is implemented by way of a Takeover Offer then (unless otherwise permitted by applicable law and regulation) the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email, or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility or a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means or instrumentality or from within any Restricted Jurisdiction.

The Acquisition shall be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the AIM Rules and the Registrar of Companies. Further details in relation to Overseas Shareholders are contained in paragraph 15 of Part 2 (*Explanatory Statement*) of this Document.

Forward looking statements

This Document (including information incorporated by reference in this Document), oral statements made regarding the Acquisition, and other information published by Daisy, ECSC, any member of the Wider Daisy Group or any member of the Wider ECSC Group may contain statements which are, or may be deemed to be, "forward looking statements". Forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward looking statements.

The forward looking statements contained in this Document include statements relating to the expected effects of the Acquisition on Daisy, ECSC, any member of the Wider Daisy Group or any member of the Wider ECSC Group (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward looking statements can be identified by the use of forward looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "intends", "cost-saving", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements may 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 Daisy's, ECSC's, any member of the Wider Daisy Group's or any member of the Wider ECSC's operations

and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Daisy's, ECSC's, any member of the Wider Daisy Group's or any member of the Wider ECSC Group's business.

Although Daisy and ECSC believe that the expectations reflected in such forward looking statements are reasonable, Daisy, ECSC, the Wider Daisy Group and the Wider ECSC Group can give no assurance that such expectations will prove to be correct. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward looking statements.

These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Daisy, ECSC, the Wider Daisy Group and/or the Wider ECSC Group operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Daisy, ECSC, the Wider Daisy Group and/or the Wider ECSC Group operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors.

Neither Daisy, ECSC, the Wider Daisy Group nor the Wider ECSC Group, nor any of their respective associates or directors, officers or advisers, provide any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this Document will actually occur. Given these risks and uncertainties, potential investors are cautioned not to place any reliance on these forward looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated.

Other than in accordance with their legal or regulatory obligations, neither Daisy, ECSC, the Wider Daisy Group nor the Wider ECSC Group is under any obligation, and each such person expressly disclaims any intention or obligation to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

No profit forecasts, estimates or quantified benefits statements

Save where otherwise stated, no statement in this Document, or incorporated by reference in this Document, is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Document should be interpreted to mean that earnings or earnings per share for Daisy or ECSC, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Daisy or ECSC, as appropriate.

Rounding

Certain figures included in this Document may 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.

Publication on website

A copy of this Document, together with all information incorporated by reference into this Document, will be available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions on ECSC's website at <https://investor.ecsc.co.uk>. Save as expressly referred to in this Document, the content of ECSC's website is not incorporated into, nor forms part of, this Document.

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 Takeover Code.

Right to receive documents in hard copy form

Any person entitled to receive a copy of documents, announcements and information relating to the Acquisition is entitled to receive such documents in hard copy form free of charge. A person may also request that all future documents, announcements and information in relation to the Acquisition are sent to them in hard copy form.

A hard copy of this Document may be requested by contacting ECSC's Registrars on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Company's Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Right to switch to a Takeover Offer

Daisy reserves the right, at its sole discretion, to elect to implement the Acquisition by means of a Takeover Offer for the entire issued and to be issued share capital of ECSC on the same terms and conditions, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments to the terms of the Acquisition arising from the change of structure from a Scheme to a Takeover Offer (subject, in each case to Panel consent).

Disclosure requirements of the Takeover 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 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) 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(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) 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.

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).

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 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.

Date

The date of publication of this Document is 25 April 2023.

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ACTION TO BE TAKEN

For the reasons set out in this Document, 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 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 purpose of Rule 3 of the Takeover Code.

Accordingly, in order to implement the Acquisition, the ECSC Directors recommend unanimously that you vote to approve the Scheme at the Court Meeting and vote in favour of the Special Resolution at the General Meeting as they have irrevocably undertaken to do (or procure to be done) in respect of their own holdings, and further recommend that you take the action described below.

This Part of this Document should be read in conjunction with the rest of this Document, and in particular, paragraph 10 of Part 1 (*Letter from Chair of ECSC*) of this Document, paragraph 17 of Part 2 (*Explanatory Statement*) of this Document and the notices of the Court Meeting and the General Meeting set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively.

1. Documents

Please check that you have received the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting on 24 May 2023;
- a WHITE Form of Proxy for use in respect of the General Meeting on 24 May 2023; and
- a pre-paid envelope (for use in the UK only) for the return of the BLUE Form of Proxy and the WHITE Form of Proxy.

If you have not received all of these documents, please contact the Shareholder Helpline on the number indicated in paragraph 3 below.

2. Voting at the Court Meeting and the General Meeting

The Scheme will require approval at a meeting of Scheme Shareholders convened with the permission of the Court to be held at the offices of Freeths LLP, One Vine Street, London, W1J 0AH at 11.30 a.m. on 24 May 2023. Implementation of the Scheme will also require the approval of ECSC Shareholders of the Special Resolution relating to the Acquisition to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting, at 11.45 a.m. on 24 May 2023 (or as soon thereafter as the Court Meeting concludes or is adjourned). Notice of the Court Meeting and the General Meeting are set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively. Upon the Scheme becoming effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and, if they attended and voted, whether or not they voted in favour).

ECSC Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote at the Court Meeting and/or General Meeting. A proxy need not be an ECSC Shareholder.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. You are therefore strongly urged to complete and return both of your Forms of Proxy, or to appoint a proxy through CREST or electronically as soon as possible. Doing so will not prevent you from attending, speaking and voting in person at the Meetings if you wish and are entitled to do so.

(a) ***Sending Forms of Proxy by post***

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them by post to ECSC's Registrars, Equiniti Limited, at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to be received as soon as possible and, in any event, not later than:

BLUE Forms of Proxy for the Court Meeting 11.30 a.m. on 22 May 2023

WHITE Forms of Proxy for the General Meeting 11.45 a.m. on 22 May 2023

or, in the case of adjournment(s), not later than 48 hours before the time and date set for the adjourned meeting(s) (excluding any part of such 48-hour period falling on a non-working day).

If the BLUE Form of Proxy for the Court Meeting is not received by the above time, it may be handed to a representative of ECSC's Registrars, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting before the start of the Court Meeting and it will be valid. However, in the case of the General Meeting, the WHITE Form of Proxy must be received by the time mentioned above, or it will be invalid.

ECSC Shareholders are entitled to appoint a proxy in respect of some or all of their ECSC Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. ECSC Shareholders who wish to appoint more than one proxy in respect of their holding of ECSC Shares should contact ECSC's Registrars for further Forms of Proxy.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using ECSC (or any other procedure described below), will not prevent you from attending, speaking and voting in person at either the Court Meeting or the General Meeting, or any adjournment thereof, if you wish and are entitled to do so.

(b) ***Electronic appointment of proxies through CREST***

If you hold ECSC Shares in uncertificated form (that is, in CREST) you may vote using the CREST proxy voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively).

Proxies submitted via CREST (under CREST participant ID RA19) must be received by ECSC's Registrars by no later than 11.30 a.m. on 22 May 2023 in the case of the Court Meeting and by no later than 11.45 a.m. on 22 May 2023 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) prior to the time and date set for the adjourned meeting).

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by ECSC's Registrars (under CREST participant ID RA19) not less than 48 hours before the time fixed for the Court Meeting or General Meeting (or adjourned meeting), as applicable (in each case, excluding any non-working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which ECSC's Registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member

is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that their CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

ECSC may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

(c) **Online appointment of proxies**

Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk using the series of numbers printed under the headings Voting ID, Task ID and Shareholder Reference Number on the Proxy Form. Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on screen instructions. Full details and instructions on these electronic proxy facilities are given on the respective websites. For an electronic proxy appointment to be valid, the appointment must be received by ECSC's Registrars no later than 11.30 a.m. on 22 May 2023 for the Court Meeting and 11.45 a.m. on 22 May 2023 for the General Meeting (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s) (excluding any part of such 48-hour period falling on a non-working day)). Full details of the procedure to be followed to appoint a proxy electronically are given on the website. Any electronic communication found to contain a computer virus will not be accepted.

In the case of the Court Meeting only, if you have not appointed a proxy electronically or online by such time you may complete the BLUE Form of Proxy and hand it to a representative of ECSC's Registrars, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting before the start of the Court Meeting (or any adjournment thereof) and it will be valid.

In the case of the General Meeting only, if the electronic or online proxy appointment is not received by the time mentioned above, it will be invalid.

3. Shareholder Helpline

If you have any questions relating to this Document, the Court Meeting or the General Meeting or the completion and return of your Forms of Proxy, please contact the Company's Registrars on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that ECSC's Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following indicative timetable is based on ECSC's and Daisy's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to ECSC Shareholders by announcement through a Regulatory Information Service of the London Stock Exchange.

<i>Event</i>	<i>Time and/or date</i>
Publication of this Document	25 April 2023
Latest time for lodging Forms of Proxy for the:	
Court Meeting (BLUE form)	11.30 a.m. on 22 May 2023 ¹
General Meeting (WHITE form)	11.45 a.m. on 22 May 2023 ²
Voting Record Time	6.30 p.m. on 22 May 2023 ³
Court Meeting	11.30 a.m. on 24 May 2023
General Meeting	11.45 a.m. on 24 May 2023 ⁴
The following dates are indicative only and are subject to change⁵	
Sanction Hearing (to sanction the Scheme)	<i>20 June 2023</i>
Last day of dealings in, and for the registration of transfers of, and disablement in CREST of, ECSC Shares	<i>21 June 2023</i>
Scheme Record Time	6.00 p.m. on <i>21 June 2023</i>
Suspension of trading of, and dealings in, ECSC Shares on AIM	7.30 a.m. on 22 June 2023
Effective Date	22 June 2023 ⁶
Cancellation of admission to trading of ECSC Shares on AIM	7.00 a.m. on <i>23 June 2023</i>
Latest date for dispatch of cheques, and crediting of CREST accounts and processing electronic transfers due under the Scheme	within 14 days of the Effective Date
Long Stop Date	5.00 p.m. on 31 July 2023 ⁷

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- 1 It is requested that BLUE Forms of Proxy for the Court Meeting be lodged not later than 11.30 a.m. on 22 May 2023 or, if the Court Meeting is adjourned, 48 hours prior to the time and date set for any adjourned Court Meeting (excluding any part of such 48-hour period falling on a non-working day). If the BLUE Form of Proxy for the Court Meeting is not returned by such time, it may be handed to a representative of ECSC's Registrars, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting before the start of the Court Meeting (or any adjournment of it) and it will be valid.
 - 2 In order to be valid, the WHITE Forms of Proxy for the General Meeting must be lodged not later than 11.45 a.m. on 22 May 2023 or, if the General Meeting is adjourned, 48 hours prior to the time and date set for any adjourned General Meeting (excluding any part of such 48-hour period falling on a non-working day).
 - 3 If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6.30 p.m. on the date which is two days (excluding non-working days) prior to the date set for such adjourned Meeting.
 - 4 To commence at 11.45 a.m. or as soon thereafter as the Court Meeting shall have concluded or adjourned.
 - 5 These dates are indicative only and will depend, among other things, on the date upon which: (i) the Conditions are satisfied or (if capable of waiver) waived; (ii) the Court sanctions the Scheme; and (iii) the Court Order is delivered to the Registrar of Companies. ECSC will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on ECSC's website at <https://investor.ecsc.co.uk>. Participants in the ECSC Share Schemes will be contacted separately to inform them of the effect of the Scheme on their rights under the ECSC Share Schemes, including details of any appropriate proposals being made and dates and times relevant to them.
 - 6 Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur within two Business Days after the date of the Sanction Hearing, subject to satisfaction or (where capable of waiver), waiver of the Conditions.
 - 7 This is the latest date by which the Scheme may become Effective. However, the Long Stop Date may be extended to such later date as ECSC and Daisy may agree in writing (with the Panel's consent and as the Court may approve (should such approval(s) be required)).

PART 1

LETTER FROM CHAIR OF ECSC



ECSC GROUP PLC

(Incorporated in England and Wales with registered number 03964848)

Directors:

Ian Mann (*Executive Chairman*)
Matthew Briggs (*Chief Executive Officer*)
Lucy Sharp (*Chief Operating Officer*)
David Mathewson (*Non-Executive Director*)
Gemma Basharan (*Chief Financial Officer*)

Registered office:

28 Campus Road
Listerhills Science Park
Bradford BD7 1HR
United Kingdom

25 April 2023

To ECSC Shareholders and, for information only, to holders of awards and options under the ECSC Share Schemes and persons with information rights in ECSC.

Dear all

RECOMMENDED CASH ACQUISITION OF ECSC GROUP PLC BY DAISY CORPORATE SERVICES TRADING LIMITED

1. Introduction

On 31 March 2023, the boards of ECSC and Daisy announced that they had reached agreement on the terms and conditions of a recommended cash acquisition by Daisy of the entire issued and to be issued share capital of ECSC.

Further information relating to Daisy, can be found in paragraph 5 of the letter from Allenby set out in Part 2 (*Explanatory Statement*) of this Document and in Part 7 (*Additional Information*) of this Document.

I am writing to you on behalf of the ECSC Directors to explain the background to and terms of the Acquisition, to encourage you to vote at the Court Meeting and General Meeting, and to explain why the ECSC Directors are unanimously recommending that Scheme Shareholders vote to approve the Scheme at the Court Meeting and that ECSC Shareholders vote in favour of the Special Resolution at the General Meeting, as the ECSC Directors have irrevocably undertaken to do (or procure to be done) in respect of their own holdings of ECSC Shares or those ECSC Shares over which they have control, being, in aggregate, 2,686,544 ECSC Shares representing approximately 26.85 per cent. of the issued ordinary share capital of ECSC as at the Latest Practicable Date.

Further details of these undertakings are set out in paragraph 5 of this letter.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholders' opinions. I therefore strongly urge you to complete, sign and return your Forms of Proxy or appoint a proxy online or through the CREST electronic proxy appointment service as soon as possible.

2. Summary of the terms of the Acquisition

It is proposed that the Acquisition be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act, which requires the approval of Scheme Shareholders at the Court Meeting and of ECSC Shareholders at the General Meeting and the sanction of the Court. Upon the Scheme becoming Effective, ECSC will become a wholly-owned subsidiary of Daisy.

Under the terms of the Acquisition, which is subject to the satisfaction (or, where applicable, waiver) of the Conditions and to the further terms set out in Part 3 (*Conditions to and Further Terms of the Scheme and the Acquisition*) of this Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each ECSC Share 54.02 pence in cash

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

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

If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable by ECSC in respect of the ECSC Shares on or after the Announcement Date and prior to the Effective Date, Daisy will have the right to reduce the value of the Consideration payable for each ECSC Share by up to the amount per ECSC Share of such dividend, distribution or return of value.

3. 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.

4. 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 made at 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, detection and 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 recommend the Acquisition to ECSC Shareholders.

5. Irrevocable undertakings

Daisy has received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Special Resolution 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 Business Day prior to the Announcement Date.

Daisy has also received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Special Resolution 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 Business Day prior to the Announcement Date.

Therefore, as at the date of this Document, Daisy has received irrevocable undertakings to vote, or procure votes, in favour of the Scheme at the Court Meeting and the Special Resolution 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 Business Day prior to the Announcement Date.

Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in paragraph 5 of Part 7 (*Additional Information*) of this Document. Copies of the irrevocable undertakings are available on ECSC's website at <https://investor.ecsc.co.uk> and Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/ and will remain on display until the end of the Offer Period.

6. Management, employees, research & 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 per cent. 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.

Daisy has a typical annual bonus scheme for senior staff, based on typical annual performance measures. No discussions have been held by Daisy with ECSC management regarding management incentives, but following completion of the Acquisition, Daisy would expect to treat relevant ECSC employees in a similar way to current Daisy employees in this regard.

Statements

None of the statements in this paragraph 6 is a "post-offer undertaking" for the purposes of Rule 19.5 of the Takeover Code.

7. Cancellation of admission to AIM and re-registration as a private limited company

ECSC Shares are currently admitted to trading on AIM. As set out in paragraph 12 of Part 2 (*Explanatory Statement*) of this Document, it is intended that a request will be made to the London Stock Exchange to cancel trading in ECSC Shares on AIM, with effect from or shortly following the Effective Date.

The Special Resolution to be proposed at the General Meeting also provides for the re-registration of ECSC as a private limited company under the relevant provisions of the Companies Act, conditional upon the Scheme becoming Effective.

8. ECSC Share Schemes

Details of the arrangements proposed to be implemented in relation to the ECSC Share Schemes in connection with the Acquisition are set out in paragraph 7 of Part 2 (*Explanatory Statement*) of this Document.

9. ECSC's current trading and prospects

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 per cent. 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).

As stated in the Rule 2.7 Announcement, for the purposes of Rule 28 of the Takeover Code, ECSC 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 ECSC's accounting policies.

10. Action to be taken by ECSC Shareholders

Details of the approvals being sought at the Court Meeting and the General Meeting and the action to be taken by ECSC Shareholders in respect of the Acquisition and the Scheme are set out in paragraphs 9 and 17 of Part 2 (*Explanatory Statement*) of this Document.

Details relating to the de-listing of ECSC Shares are included in paragraph 12 of Part 2 (*Explanatory Statement*) of this Document.

11. Overseas Shareholders

Overseas Shareholders should refer to paragraph 15 of Part 2 (*Explanatory Statement*) of this Document.

12. United Kingdom taxation

Your attention is drawn to Part 6 (*United Kingdom Taxation*) of this Document. This summary is intended as a general guide only to certain aspects of the UK tax consequences of the Acquisition for UK-resident (and domiciled) ECSC Shareholders who hold their ECSC Shares as an investment and not by reason of employment and who did not acquire their ECSC Shares pursuant to any tax advantaged venture capital scheme. If you are in any doubt as to your tax position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate independent professional tax adviser.

13. Further information

Your attention is drawn to the Explanatory Statement set out in Part 2 (*Explanatory Statement*) of this Document, the conditions set out in Part 3 (*Conditions to and Further Terms of the Scheme and the Acquisition*) of this Document, the full terms of the Scheme set out in Part 4 (*The Scheme of Arrangement*) of this Document, the additional information set out in Part 7 (*Additional Information*) of this Document and the notices of the Meetings set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively. **You should read the whole of this Document and the accompanying Forms of Proxy and not rely solely on the information contained in this letter or the Explanatory Statement.**

A copy of this Document (and all the information incorporated into this Document by reference to another source) and the Forms of Proxy are and will be available, subject to certain restrictions relating to Overseas Shareholders in Restricted Jurisdictions, for inspection on ECSC's website at <https://investor.ecsc.co.uk> and Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/.

14. 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 their 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 Takeover Code.

The ECSC Directors consider the Acquisition to be in the best interests of the ECSC Shareholders taken as a whole. Accordingly, the ECSC Directors recommend unanimously that ECSC Shareholders vote or procure votes to approve the Scheme at the Court Meeting and to vote or procure votes in favour of the Special Resolution at the General Meeting, as all ECSC Directors holding ECSC Shares on the Announcement Date (being the commencement of the Offer Period) have irrevocably undertaken to do (or procure to be done) in respect of their own holdings over which they have control, being, in aggregate, 2,686,544 ECSC Shares representing approximately 26.85 per cent. of the Voting Shares on the Latest Practicable Date.

Yours faithfully,

Ian Mann
Executive Chair
ECSC Group plc

PART 2

EXPLANATORY STATEMENT

(In compliance with section 897 of the Companies Act 2006)



5 St. Helen's Place
London EC3A 6AB
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info@allenbycapital.com
www.allenbycapital.com

25 April 2023

To ECSC Shareholders and, for information only, to holders of awards and options under the ECSC Share Schemes and persons with information rights.

Dear all

RECOMMENDED CASH ACQUISITION OF ECSC GROUP PLC BY DAISY CORPORATE SERVICES TRADING LIMITED

1. Introduction

On 31 March 2023, the boards of ECSC and Daisy announced that they had reached agreement on the terms and conditions of a recommended cash acquisition pursuant to which Daisy will acquire the entire issued and to be issued ordinary share capital of ECSC. The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement pursuant to Part 26 of the Companies Act between ECSC and the ECSC Shareholders.

Your attention is drawn to the letter set out in Part 1 (*Letter from Chair of ECSC*) of this Document, which, together with the other parts of this Document, forms part of this Explanatory Statement. That letter contains, among other things, the unanimous recommendation by the ECSC Directors to Scheme Shareholders to vote in favour of the resolution approving the Scheme to be proposed at the Court Meeting and to ECSC Shareholders to vote in favour of the Special Resolution to be proposed at the General Meeting.

The ECSC Directors have been advised by Allenby in connection with the Acquisition and the Scheme. We have been authorised by the ECSC Directors to write to you to explain the terms of the Acquisition and the Scheme and to provide you with other relevant information.

The Scheme is set out in full in Part 4 (*The Scheme of Arrangement*) of this Document. Your attention is also drawn to the additional information set out in Part 7 (*Additional Information*) of this Document.

Statements made or referred to in this letter regarding Daisy's reasons for the Acquisition, information concerning the business of Daisy, the financial effects of the Acquisition on Daisy and/or intentions or expectations of or concerning Daisy, reflect the views of the Daisy Responsible Persons.

Statements made or referred to in this letter regarding the background to and reasons for the recommendation of the ECSC Directors, information concerning the business of the ECSC and/or intentions or expectations of or concerning the ECSC Directors prior to the completion of the Acquisition, reflect the views of ECSC Directors.

2. Summary of the terms of the Acquisition and Scheme

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act, which requires the approval of Scheme Shareholders at the Court Meeting and of ECSC Shareholders at the General Meeting and the sanction of the Court. Upon the Scheme becoming Effective, ECSC will become a wholly-owned subsidiary of Daisy.

Under the terms of the Acquisition, which is subject to the satisfaction (or, where applicable, waiver) of the Conditions and to the further terms set out in Part 3 (*Conditions to and Further Terms of the Scheme and the Acquisition*) of this Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

for each ECSC Share 54.02 pence in cash

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

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

If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable by ECSC in respect of the ECSC Shares on or after the Announcement Date and prior to the Effective Date, Daisy will have the right to reduce the value of the Consideration payable for each ECSC Share by up to the amount per ECSC Share of such dividend, distribution or return of value. If any such dividend, distribution or return of value is paid or made after the Announcement Date and Daisy exercises its rights as described above, any reference in this Document to the Consideration payable under the Scheme shall be deemed to be a reference to the Consideration as so reduced. 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 Scheme.

3. Background to and reasons for the recommendation

Information relating to the background to and reasons for the ECSC Directors' recommendation of the Acquisition is set out in paragraph 4 of Part 1 (*Letter from the Chair of ECSC*) of this Document.

4. Information on ECSC

Established in 2000, 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, Detection and Response ("**MDR**") division offers flexible 24/7/365 cyber security MDR support to its clients. 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. Further details on ECSC's current trading and prospects can be found at paragraph 9 of Part 1 (*Letter from Chair of ECSC*) of this Document.

5. 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.

For the twelve months ended 31 March 2022, the Daisy Group generated revenues of £341.8 million and EBITDA from continuing operations before exceptional items of £68.7 million.

6. Financing of the Acquisition

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.

7. ECSC Share Schemes

Participants in ECSC Share Schemes will be contacted regarding the effect of the Acquisition on their rights under the ECSC Share Schemes and an appropriate proposal will be made to the holder(s) of exercisable options in due course.

Full details of the effect of the Acquisition on outstanding share options are set out in separate letters to be sent to participants in the ECSC Share Schemes. However, in summary, only 6,411 options (representing 0.06 per cent. of the current issued share capital of ECSC) under the Shares Schemes have an exercise price below 54.02 pence. It is expected that the remainder of the outstanding options under the ECSC Share Schemes (being 1,007,291 options, totalling 10.07 per cent. of the current issued share capital of ECSC), will lapse.

8. ECSC Directors and the effect of the Scheme on their interests

Details of the interests of the ECSC Directors in the share capital of ECSC, and their options and awards in respect of such share capital, are set out in paragraph 4.2 of Part 7 (*Additional Information*) of this Document. Scheme Shares held by the ECSC Directors at the Scheme Record Time will be subject to the Scheme.

All ECSC Directors who hold ECSC Shares as at the Announcement Date have irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting and, if Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such Takeover Offer, in each case in respect of their own legal and/or beneficial holdings (or those ECSC Shares over which they have control) of ECSC Shares. These irrevocable undertakings also extend to any ECSC Shares acquired by the ECSC Directors, including, as a result of the settlement of awards and/or the exercise of options under the ECSC Share Schemes. Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in paragraph 5 of Part 7 (*Additional Information*) of this Document.

Particulars of the service contracts (including termination provisions) and letters of appointment of the ECSC Directors are set out in paragraph 6 of Part 7 (*Additional Information*) of this Document.

In common with the other participants in the ECSC Share Schemes, as set out in paragraph 7 of this Part 2 above, ECSC Directors who hold awards or options in respect of the share capital of ECSC will be contacted regarding the effect of the Acquisition on their rights under the ECSC Share Schemes. It is expected that all such options will lapse.

Save as set out above, the effect of the Scheme on the interests of the ECSC Directors does not differ from the effect of the Scheme on the like interests of other persons.

9. Description of the Scheme and the Meetings

9.1 The Scheme

The Acquisition is to be implemented by means of a Court-sanctioned scheme of arrangement pursuant to Part 26 of the Companies Act between ECSC and the Scheme Shareholders who are on the register of members at the Scheme Record Time. The procedure requires approval by Scheme Shareholders at the Court Meeting and the ECSC Shareholders at the General Meeting, and the sanction of the Scheme by the Court. The Scheme is set out in full in Part 4 (*The Scheme of Arrangement*) of this Document.

The purpose of the Scheme is to provide for Daisy to become the holder of the entire issued and to be issued share capital of ECSC. This is to be achieved by transferring the Scheme Shares held by Scheme Shareholders to Daisy, in consideration for which Daisy will pay cash on the basis set out in this Part 2.

9.2 ECSC Meetings

Before the Court's sanction for the Scheme can be sought, the Scheme requires approval by the passing of a resolution at the Court Meeting. The resolution must be approved by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy at the Court Meeting (or any adjournment thereof), representing not less than 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders. In addition, the Special Resolution must be passed at the General Meeting to authorise the ECSC Directors to implement the Scheme and deal with certain ancillary matters (which requires the approval of ECSC Shareholders present and voting representing at least 75 per cent. of the votes cast at the General Meeting (or any adjournment thereof), either in person or by proxy). The General Meeting will be held immediately after the Court Meeting. Notices of the Court Meeting and the General Meeting are set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively. Save as set out below, all holders of Scheme Shares whose names appear on the register of members of ECSC at the Voting Record Time, or, if any such Meeting is adjourned, on the register of members at 6.30 p.m. on the date which is two days before the date set for such adjourned meeting (excluding any non-working days), will be entitled to attend and vote at the Court Meeting and the General Meeting, in respect of the Scheme Shares registered in their name at the relevant time.

The Court Meeting and the General Meeting will be held at the offices of Freeths LLP, One Vine Street, London, W1J 0AH on 24 May 2023.

If the Scheme becomes Effective, it will be binding on all Scheme Shareholders holding Scheme Shares at the Scheme Record Time, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of or against, or abstained from voting on the Special Resolution relating to the Acquisition at the General Meeting.

(a) Court Meeting

The Court Meeting has been convened with the permission of the Court for 11.30 a.m. on 24 May 2023 for Scheme Shareholders to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number of those Scheme Shareholders present and voting (and entitled to vote) in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares voted by such Scheme Shareholders.

It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair representation of opinion of the Scheme Shareholders. You are therefore strongly advised to sign and return your

Forms of Proxy or to appoint a proxy through CREST or appoint a proxy electronically for both the Court Meeting and the General Meeting as soon as possible. Doing so will not prevent you from attending, voting and speaking at the Meetings or any adjournment thereof, if you so wish and are so entitled.

Scheme Shareholders are also strongly encouraged to appoint the Chair of the Court Meeting as their proxy rather than any other named person. This will ensure that your vote will be counted if you (or any other proxy you might otherwise appoint) are not able to attend the Court Meeting.

You will find the Notice of the Court Meeting in Part 9 (*Notice of Court Meeting*) of this Document.

(b) *General Meeting*

The General Meeting has been convened for 11.45 a.m. on 24 May 2023 or as soon after that time as the Court Meeting has concluded or been adjourned, for ECSC Shareholders to consider and, if thought fit, pass the Special Resolution necessary to implement the Scheme and certain related matters.

The proposed Special Resolution is to approve:

- (i) giving the ECSC Directors the authority to take all necessary action to carry the Scheme into effect, including the arranging of the cancellation of admission to trading of ECSC Shares from AIM;
- (ii) amending the ECSC Articles as described in paragraph 9.3 below; and
- (iii) subject to and conditional upon the Scheme becoming Effective, the re-registration of the Company as a private company limited by shares with the name "ECSC Group Limited".

At the General Meeting, voting on the Special Resolution will be by poll and each ECSC Shareholder present in person or by proxy will be entitled to one vote for each ECSC Share held as at the Voting Record Time. The approval required for the Special Resolution to be passed is at least 75 per cent. of the votes cast on the Special Resolution (in person or by proxy).

ECSC will announce the details of the votes at the Meetings as required under the Takeover Code through a Regulatory Information Service as soon as practicable after the conclusion of the Meetings and, in any event, by no later than 8.00 a.m. on the Business Day following the Meetings.

(c) *Sanction Hearing*

Pursuant to the Companies Act, the Scheme requires the sanction of the Court. The hearing by the Court to sanction the Scheme is currently expected to be held on 20 June 2023, subject to the prior satisfaction or waiver of the other Conditions set out in Part 3 (*Conditions to and Further Terms of the Scheme and the Acquisition*) of this Document.

The Sanction Hearing is expected to be held in person at The High Court of Justice, The Rolls Buildings, Fetter Lane, London EC4A 1NL but the Court is entitled to hold the Sanction Hearing remotely. If the Sanction Hearing is to be held remotely, ECSC will give notice of the same as soon as practicable once known, by issuing a document through a Regulatory Information Service, with such Document being made available on ECSC's website at <https://investor.ecsc.co.uk> and Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/. Scheme Shareholders are entitled to attend the Sanction Hearing, should they wish to do so, in person or through counsel.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur two Business Days after the date of the Sanction Hearing, subject to satisfaction (or, where applicable, waiver) of the Conditions.

ECSC will make an announcement through a Regulatory Information Service as soon as practicable following the Scheme becoming Effective.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Special Resolution at the General Meeting.

The Acquisition shall lapse if:

- the Court Meeting and the General Meeting are not held by 15 June 2023, being the 22nd day after 24 May 2023 (or such later date as may be agreed between Daisy and ECSC with the consent of the Panel (and that the Court may allow, if required));
- the Sanction Hearing to approve the Scheme is not held on or before the 22nd day after the expected date of such hearing (or such later date as may be agreed between Daisy and ECSC);
- the Conditions to the Scheme and the Acquisition have not been satisfied or, where relevant, waived; or
- the Scheme does not become Effective by the Long Stop Date,

provided however that the deadlines for the timing of the Court Meeting, the General Meeting and the Sanction Hearing to approve the Scheme as set out above may be waived by Daisy, and the deadline for the Scheme to become Effective may be extended by agreement between ECSC and Daisy with the consent of the Panel and, if required, the Court.

9.3 **Amendments to ECSC's articles of association**

It is proposed, as part of the Special Resolution to be proposed at the General Meeting, that the ECSC Articles be amended to ensure that any ECSC Shares issued or transferred out of treasury under the ECSC Share Schemes or otherwise after the ECSC Articles are amended and prior to the Scheme Record Time will be subject to the Scheme and the holders of such shares will be bound by the terms of the Scheme. It is also proposed to amend the ECSC Articles so that, subject to the Scheme becoming Effective, any ECSC Shares issued to any person other than Daisy or its nominee(s) on or after the Scheme Record Time will be automatically acquired by Daisy for cash consideration payable by Daisy equal to the value of 54.02 pence per such ECSC Share. It is further proposed to amend the ECSC Articles so that, in the event of any reorganisation of or material alteration to the share capital of ECSC carried out after the Effective Date, the value of the cash consideration payable by Daisy upon the automatic acquisition by it of any ECSC Share issued to any person other than itself or its nominee(s) after such reorganisation or alteration shall be adjusted so as to reflect such reorganisation or alteration.

These provisions will avoid any person (other than Daisy and/or its nominee(s)) holding ECSC Shares after the Scheme becomes Effective.

Paragraph (b) of the Special Resolution set out in the notice of the General Meeting in Part 10 (*Notice of General Meeting*) of this Document seeks the approval of ECSC Shareholders for such amendments.

9.4 **Entitlement to vote at the Meetings**

Each Scheme Shareholder who is entered in ECSC's register of members at the Voting Record Time (6.30 p.m. on 22 May 2023) will be entitled to attend and vote on all resolutions to be put to the Court Meeting and the General Meeting. If either Meeting is adjourned, only those Scheme Shareholders on the register of members at 6.30 p.m. on the day which is two days before the adjourned Meeting (excluding any non-working days) will be entitled to attend and vote. Each eligible ECSC Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of them. A proxy need not be a shareholder of ECSC but must attend the Meetings.

The completion and return of a Form of Proxy or the appointment of a proxy or proxies electronically or using CREST shall not prevent a ECSC Shareholder from attending and voting in person at either Meeting or any adjournment thereof if such shareholder wishes and is entitled to do so. In the event of a poll on which an ECSC Shareholder votes in person, their proxy votes lodged with ECSC's Registrars and, in the case of the Court Meeting, the Chair of the Court Meeting, will be excluded.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings, please contact the Company's Registrars on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Company's Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Further information on the actions to be taken is set out on pages 8 to 10 (*Action to be taken*) of this Document.

9.5 **Modifications to the Scheme**

The Scheme contains a provision for ECSC and Daisy jointly to consent (on behalf of all concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances.

In accordance with the Takeover Code, except with the consent of the Panel, modifications or revisions to the Scheme may only be made: (i) no less than 14 days prior to the date of the Meetings (or any later date to which such meetings are adjourned); or (ii) at a later date, with the consent of the Panel.

9.6 **Implementation by way of a Takeover Offer**

Subject to obtaining the consent of the Panel, Daisy reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme. In such event, such Takeover Offer will be implemented on the same terms (subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition which, unless otherwise agreed in writing between Daisy and ECSC or otherwise required by the Panel, will be set at 75 per cent. (or such lesser percentage as may be agreed between ECSC and Daisy in writing after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent. of the voting rights attaching to the ECSC Shares) of the shares to which the Acquisition relates and those required by, or deemed appropriate by, Daisy under applicable law, so far as applicable) as those which would apply to the Scheme.

10. **Conditions to the Acquisition**

The Conditions to the Scheme and the Acquisition are set out in full in Part 3 (*Conditions to and Further Terms of the Scheme and the Acquisition*) of this Document, including:

- approval of the Scheme by a majority in number of the Scheme Shareholders who are present and vote (and entitled to vote), either in person or by proxy, at the Court Meeting, or any adjournment of that Meeting, and who represent 75 per cent. or more in value of all Scheme Shares voted by such Scheme Shareholders;
- the Special Resolution being duly passed by the requisite majority at the General Meeting, or any adjournment of that Meeting;
- the sanction of the Scheme by the Court and the delivery of a copy of the Court Order for registration to the Registrar of Companies; and
- 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).

The Scheme can only become Effective if all Conditions to the Scheme, including shareholder approvals and the sanction of the Court, have been satisfied (unless, where applicable, the relevant Condition is waived). The Scheme will become Effective upon a copy of the Court Order being delivered to the Registrar of Companies for registration. Subject to the sanction of the Scheme by the Court, this is expected to occur on 22 June 2023. Unless the Scheme becomes Effective by the Long Stop Date, the Acquisition will not proceed. However, the Long Stop Date may be extended to such later date as ECSC and Daisy may agree in writing (with the Panel's consent and as the Court may approve (should such approval(s) be required)).

11. Acquisition-related arrangements

Confidentiality Agreement

Daisy Intermediate Holdings Limited (a holding company of Daisy) and ECSC entered into a confidentiality agreement dated 30 November 2022 pursuant to which Daisy has 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. This confidentiality obligations remain in force for a period of three years expiring on 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 per cent. of his base salary plus car allowance; and (ii) 1.5 per cent. 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.

12. Cancellation of listing of ECSC Shares

Before the Scheme becomes Effective, it is intended that an application will be made to the London Stock Exchange for the cancellation of trading of the ECSC Shares on AIM, with effect from the Business Day following the Effective Date. The last day of dealings in, and registration of transfers of, ECSC Shares on AIM is expected to be the Business Day immediately prior to the Effective Date.

On the Effective Date, share certificates in respect of ECSC Shares will cease to be valid and entitlements to ECSC Shares held within the CREST system will be cancelled. ECSC Shareholders shall be required to return share certificates to ECSC or destroy them following the Effective Date.

The Special Resolution to be proposed at the General Meeting also provides for the re-registration of ECSC as a private limited company under the relevant provisions of the Companies Act, conditional upon the Scheme becoming Effective.

13. Settlement

Subject to the Scheme becoming Effective, settlement of the Consideration to which any Scheme Shareholder is entitled will be effected as soon as practicable and in any event not later than 14 days after the Effective Date in the manner set out below.

13.1 *Shares held in uncertificated form (that is, in CREST)*

Where at the Scheme Record Time, a holder of Scheme Shares holds such shares in uncertificated form, settlement of the Consideration will be effected through CREST by the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Scheme Shareholder holds such uncertificated shares, as soon as practicable and, in any event, no later than 14 days after the Effective Date.

As from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST will be disabled and all Scheme Shares will be removed from CREST in due course.

Notwithstanding the above, Daisy reserves the right to settle all or part of such consideration due to the holders of Scheme Shares held in uncertificated form in the manner set out in paragraph 13.2 below.

13.2 **Shares held in certificated form**

Where, at the Scheme Record Time, a holder of Scheme Shares holds such shares in certificated form, settlement of the Consideration will be effected:

- (i) by cheque drawn on the branch of a UK clearing bank and despatched by first class post (or international standard post, if overseas) to the address appearing on the ECSC share register at the Scheme Record Time (or, in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding); or
- (ii) where the amount payable exceeds £100,000, in which case Daisy reserves the right to make arrangements with such Scheme Shareholder for electronic payment of such amount in lieu of a cheque; or
- (iii) by such other method as may be approved by the Panel.

All such payments will be made in Pounds Sterling. Cheques will be despatched as soon as practicable and, in any event, no later than 14 days after the Effective Date.

In the case of Scheme Shareholders that have not encashed cheques within six months from the Effective Date, the consideration due to such Scheme Shareholders under the Scheme will be held by ECSC's Registrars for a period of 12 years from the Effective Date, in a separate UK bank account established solely for that purpose, and such Scheme Shareholders may claim the consideration due to them (plus interest accrued thereon, if any) upon request to ECSC's Registrars or by written notice to the Company in a form which the Company determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.

On the Effective Date each certificate representing Scheme Shares will cease to be a valid document of title and should be destroyed or, at the request of ECSC, delivered up to ECSC, or to any person appointed by ECSC to receive the same.

13.3 **General**

None of ECSC, Daisy nor any of their nominees or respective agents will be responsible for any loss or delay in the transmission of Consideration sent in any manner described above, and such Consideration will be sent at the risk of the person entitled to it. All documents and remittances sent through the post or electronically will be sent at the risk of the person(s) entitled thereto.

Save with the consent of the Panel, settlement of consideration to which any Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms set out in this Part 2 without regard to any lien, right of set off, counterclaim or analogous right to which Daisy may otherwise be, or claim to be, entitled against any Scheme Shareholder.

14. **United Kingdom taxation**

ECSC Shareholders should read Part 6 (*United Kingdom Taxation*) of this Document which is intended as a general guide only to certain aspects of the United Kingdom tax consequences of the Acquisition for UK resident (and domiciled) shareholders who hold their ECSC Shares as an investment and not by reason of employment and who did not acquire their ECSC Shares pursuant to any tax advantaged venture capital scheme. **If ECSC Shareholders are in any doubt as to their tax position, or if they are subject to taxation in any jurisdiction other than the UK, they should consult an appropriate independent professional tax adviser as to the tax consequences of the Acquisition.**

15. Overseas Shareholders

The availability of the Scheme and the Acquisition to Overseas Shareholders may be affected by the laws of the relevant jurisdictions in which they are resident. Overseas Shareholders should inform themselves of, and observe, any applicable requirements. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the full compliance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

The release, publication or distribution of this Document in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe such restrictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their ECSC Shares with respect to the Scheme at the Court Meeting or the General Meeting, or to appoint another person as proxy, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Document and any accompanying documents have been prepared for the purposes of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside England.

Unless otherwise determined by Daisy or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such means from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Document and all documents relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Document and all documents relating to the Acquisition (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions where to do so would violate the laws in that jurisdiction.

16. Further information

The terms of the Scheme are set out in full in Part 4 (*The Scheme of Arrangement*) of this Document. Your attention is also drawn to the further information contained in this Document, all of which forms part of this Explanatory Statement, and, in particular, to the Conditions set out in Part 3 (*Conditions to and Further Terms of the Scheme and the Acquisition*) of this Document, and the additional information set out in Part 7 (*Additional Information*) of this Document.

17. Actions to be taken

Sending Forms of Proxy by post

Scheme Shareholders will receive a BLUE Form of Proxy for the Court Meeting and ECSC Shareholders will receive a WHITE Form of Proxy for the General Meeting. Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them by post to ECSC's Registrars at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, so as to be received as soon as possible and, in any event, not later than 11.30 a.m. and 11.45 a.m. respectively, on 22 May 2023 (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s), excluding any non-working day). If the BLUE Form of Proxy for the Court Meeting is not received by the above time, it may be handed to a representative of ECSC's Registrars, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting before the start of that Meeting and it will be valid. However, in the case of the General Meeting, the WHITE Form of Proxy must be received by the time mentioned above, or it will be invalid.

ECSC Shareholders are entitled to appoint a proxy in respect of some or all of their ECSC Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. ECSC Shareholders who wish to appoint more than one proxy in respect of their holding of ECSC Shares should contact ECSC's Registrars for further Forms of Proxy.

Completion and return of a Form of Proxy, or the appointment of a proxy using CREST (or any other procedure described below), will not prevent you from attending, speaking and voting in person at either the Court Meeting or the General Meeting, or any adjournment thereof, if you wish and are entitled to do so.

Electronic appointment of proxies through CREST

If you hold your ECSC Shares in uncertificated form (that is, in CREST) you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in Parts 9 (*Notice of Court Meeting*) and 10 (*Notice of General Meeting*) of this Document respectively).

Proxies submitted via CREST (under CREST participant ID RA19) must be received by ECSC's Registrars by no later than 11.30 a.m. on 22 May 2023 in the case of the Court Meeting and by no later than 11.45 a.m. on 22 May 2023 in the case of the General Meeting (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) prior to the time and date set for the adjourned meeting).

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by ECSC's Registrars not less than 48 hours before the time fixed for the Court Meeting or General Meeting (or adjourned meeting), as applicable (in each case, excluding any non-working day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which ECSC's Registrars is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

ECSC may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

Online appointment of proxies

Shareholders who would prefer to register the appointment of their proxy electronically via the internet can do so through the Sharevote website, www.sharevote.co.uk using the series of numbers printed under the headings Voting ID, Task ID and Shareholder Reference Number on the Proxy Form. Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on screen instructions. Full details and instructions on these electronic proxy facilities are given on the respective websites.

For an electronic proxy appointment to be valid, the appointment must be received by ECSC's Registrars, no later than 11.30 a.m. on 22 May 2023 for the Court Meeting and 11.45 a.m. on 22 May 2023 for the General Meeting (or, in the case of adjournment(s), not later than 48 hours before the time fixed for the adjourned Meeting(s) (excluding any part of such 48-hour period falling on a non-working day)). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

In the case of the Court Meeting only, if you have not appointed a proxy electronically by such time you may complete the BLUE Form of Proxy and hand it to a representative of ECSC's Registrars, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting, before the start of the Court Meeting and it will be valid.

It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. You are therefore strongly urged to complete and return both of your Forms of Proxy, or to appoint a proxy through CREST or appoint a proxy electronically for both the Court Meeting and the General Meeting as soon as possible. Doing so will not prevent you from attending, speaking and voting in person at the Meetings (or any adjournment thereof) if you wish and are entitled to do so.

Shareholder Helpline

If you have any questions relating to this Document or the completion and return of your Forms of Proxy, please contact the Company's Registrar, on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Company's Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Yours faithfully,

David Hart
Head of Corporate Finance
for and on behalf of
Allenby Capital Limited

PART 3

CONDITIONS TO AND FURTHER TERMS OF THE SCHEME AND 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 5.00 p.m. 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 Special Resolution by the requisite majority 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 (g);
- (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.

(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 the Rule 2.7 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 the Rule 2.7 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 the Rule 2.7 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 ended 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) is 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. 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.
7. 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 the Rule 2.7 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 the Rule 2.7 Announcement in respect of the ECSC Shares.
8. Subject to the terms of the Scheme, if after the date of this Document 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 Document 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 Part 3, 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 Document.

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.

9. 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.
10. 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.
11. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
12. This Document 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.

PART 4

THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES COMPANIES COURT (ChD)

Claim No. CR-2023-001468

IN THE MATTER OF ECSC GROUP PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006 SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)

between ECSC GROUP PLC AND

THE HOLDERS OF THE SCHEME SHARES
(as hereinafter defined)

PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

“Announcement Date”	31 March 2023;
“Business Day”	a day (other than Saturdays, Sundays and public holidays in the United Kingdom) on which banks are generally open for business in London;
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Company”	ECSC Group plc;
“Consideration”	the consideration payable to ECSC Shareholders pursuant to the Acquisition, comprising 54.02 pence in cash per ECSC Share;
“Court Meeting”	the meeting of eligible Scheme Shareholders (and any adjournment thereof) to be convened pursuant to an order of the Court under section 896 of the Companies Act for the purposes of considering and, if thought fit, approving the Scheme (with or without amendment) including any adjournment thereof, notice of which is set out in Part 9 of the scheme document dated 25 April 2023, and including any adjournment, postponement or reconvening thereof;
“Court Order”	the order of the court sanctioning the Scheme under section 899 of the Companies Act;
“Court”	the High Court of Justice in England and Wales;
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the CREST Regulations);
“ECSC Articles”	the articles of association of the Company from time to time;

“ECSC Directors”	the directors of the Company from time to time;
“ECSC”	the Company and its subsidiaries and its subsidiary undertakings and where the context permits, each of them;
“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”	Holders of ECSC Shares;
“ECSC Shares”	the ordinary shares of 1 pence each in the share capital of the Company from time to time;
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms;
“Effective”	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms, or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;
“Euroclear”	Euroclear UK & International Limited;
“Excluded Shares”	any ECSC Shares held by the Company in treasury at any relevant date or time;
“General Meeting”	the general meeting of ECSC Shareholders (and any adjournment thereof) to be convened in connection with the Scheme to consider and, if thought fit, to approve the Special Resolution) with or without amendment), which is expected to be held as soon as the preceding Court Meeting shall have concluded or been adjourned and notice of which is set out in Part 10 of the Scheme Document dated 25 April 2023;
“Latest Practicable Date”	close of business on 24 April 2023 being the latest practicable date before publication of the Scheme Document dated 25 April 2023;
“Meetings”	the Court Meeting and/or the General Meeting, as the case may be;
“Offer”	the offer by the Offeror to acquire the entire issued and to be issued ordinary share capital of the Company (other than Excluded shares) at a price of 54.02 pence per ECSC Share in cash to be effected by means of the Scheme or should the Offeror so elect, subject to the consent of the Panel) by means of a Takeover Offer and, in either case, where the context admits, any subsequent variation, revision, extension or renewal thereof;
“Offeror”	Daisy Corporate Services Trading Limited;
“Panel”	the panel on Takeovers and Mergers;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Registrar”	Equiniti Limited (06226088) of Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA;

“Scheme Record Time”	6.00 p.m. on the Business Day, immediately prior to the Effective Date, or such later time as the Offeror and the Company may agree;
“Scheme Shareholders”	the holders of Scheme Shares at any relevant date or time;
“Scheme Shares”	<p>the ECSC Shares:</p> <p>(a) in issue at the date of the scheme document dated 25 April 2023;</p> <p>(b) (if any) issued after the date of the scheme document dated 25 April 2023 and prior to the Voting Record Time; and</p> <p>(c) (if any) issued on or after the Voting Record Time and on or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holders thereof,</p> <p>and in each case remaining in issue at the Scheme Record Time, but excluding any Excluded Shares;</p>
“Scheme”	the proposed scheme of arrangement under Part 26 of the Companies Act to effect the Acquisition, the full terms of which are set out in the scheme document dated 25 April 2023, with or subject to any modification, addition or condition which the Offeror and the Company may agree and, if required, the Court may approve or impose;
“Special Resolution”	the special resolution to (i) authorise the ECSC Directors (or a duly authorised committee thereof) to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect (ii) approve the amendment of the ECSC Articles, and (iii) approve the re-registration of the Company as a private limited company, to be considered at the General Meeting as set out in Part 10 (Notice of General Meeting) of the scheme document dated 25 April 2023;
“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 Code”	the City Code on Takeovers and Mergers as amended from time to time;
“Voting Record Time”	6.30 p.m. on the day which is two days (excluding non-working days) before the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6.30 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned Meeting;
“Wider Daisy Group”	the Offeror, its subsidiary undertakings, associated undertakings and any other undertakings in which that company and such undertakings (aggregating their interests) have a Substantial Interest;
“Wider ECSC Group”	the Company, its subsidiary undertakings, associated undertakings and any other undertakings in which that company and such undertakings (aggregating their interests) have a Substantial Interest.

- (B) For the purposes of this Scheme: (i) **“subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking”** and **“equity share capital”** have the meanings given by the Companies Act; (ii) all times referred to are London time; (iii) all references to “£”, “GBP”, “Pounds Sterling”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom; and (iv) all references to clauses and sub-clauses are to clauses and sub-clauses of this Scheme.
- (C) On the Latest Practicable Date, the issued share capital of the Company was £100,075.88 divided into 10,007,588 ordinary shares of 1 pence each, all of which are credited as fully paid up. On the Latest Practicable Date, no shares were held in treasury by the Company.
- (D) On the Latest Practicable Date, options and awards to acquire up to 1,013,702 ECSC Shares have been granted pursuant to the ECSC Share Schemes.
- (E) The Offeror was incorporated on 17 January 1994 under the laws of England and Wales as a private company limited by shares.
- (F) As at the Latest Practicable Date, no member of the Wider Daisy Group is the registered holder of, or beneficially owns, any ECSC Shares.
- (G) The Offeror has agreed, subject to satisfaction or (where applicable) waiver of the conditions set out in the document of which this Scheme forms part, to appear by Counsel at the hearing to sanction this Scheme and to undertake to the Court to be bound by the provisions of this Scheme in so far as it relates to the Offeror and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it to give effect to this Scheme.

THE SCHEME

1. Transfer of Scheme Shares

- 1.1 Upon and with effect from the Effective Date, the Offeror (and/or such of its nominee(s) as are agreed between the Offeror and the Company) shall acquire all of the Scheme Shares, fully paid-up with full title guarantee, and free from all liens, equities, charges, options, encumbrances, rights of pre-emption and any other third party rights or interest of any nature and together with all rights or interests of any nature now or hereafter attaching to or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any), and any return of capital (whether by way of reduction of share capital or share premium account or otherwise), announced, authorised, declared, made or paid in respect of the Scheme Shares by reference to a record date falling on or after the Effective Date.
- 1.2 For such purposes, the Scheme Shares shall be transferred to the Offeror (and/or such of its nominee(s) as are agreed between the Offeror and the Company) and such transfer shall be effected by means of a form or forms of transfer or other instrument or instruction of transfer and to give effect to such transfer(s) any person may be appointed by the Offeror as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor a form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise), or procure the transfer by means of CREST, of such Scheme Shares and every form, instrument or instruction of transfer so executed or instruction given shall be as effective as if it had been executed or given by the holder or holders of the Scheme Shares thereby transferred.
- 1.3 With effect from the Effective Date and until the register of members of the Company is updated to reflect the transfer of the Scheme Shares pursuant to clauses 1.1 and 1.2 of this Scheme:
 - 1.3.1 the Offeror or its agents shall be entitled to direct the exercise of any voting rights and any or all other rights and privileges (including the right to requisition the convening of a general meeting of the Company or of any class of its shareholders) attaching to any Scheme Shares;
 - 1.3.2 each Scheme Shareholder irrevocably appoints the Offeror and/or its nominee(s) and any one or more of its directors or agents to sign on behalf of such Scheme Shareholder any such documents, and to do any such things, as may in the opinion of the Offeror and/or any one or more of its directors or agents be necessary or desirable in connection with the exercise of any votes or any other rights or privileges attaching to its Scheme Shares (including without limitation, an authority as its attorney and/or agent to exercise on its behalf (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges attaching to the Scheme Shares and for any one or more of its directors or agents to sign any consent to short notice of any general or separate class meeting of the Company and to execute a form of proxy in respect of such Scheme Shares appointing any person nominated by the Offeror to attend any general and separate class meetings of the Company and/or any one or more of its directors or agents to attend general and separate class meetings of the Company (or any adjournment thereof) and to exercise or refrain from exercising the votes attaching to the Scheme Shares on such Scheme Shareholder's behalf);
 - 1.3.3 each Scheme Shareholder irrevocably authorises the Company and/or its agents to send any notice, circular, warrant or other document or communication which the Company may be required to send to such Scheme Shareholder as a member of the Company in respect of their Scheme Shares (including any share certificate(s) or other document(s) of title issued as a result of conversion of their Scheme Shares into certificated form) to the Offeror (and/or its nominee(s)) at its registered office; and
 - 1.3.4 each Scheme Shareholder irrevocably undertakes: (i) not to exercise any votes or any other rights attaching to the relevant Scheme Shares without the consent of the Offeror; and (ii) not to appoint a proxy or representative for or to attend any general meeting or separate class meeting of the Company.

2. Consideration for the transfer of Scheme Shares

2.1 In consideration for the transfer of the Scheme Shares to the Offeror and/or its nominee(s) referred in clause 1.2 of this Scheme, the Offeror shall (subject as hereinafter provided) pay or procure that there shall be paid to or for the account of each Scheme Shareholder whose name appears in the register of members of the Company at the Scheme Record Time:

for each ECSC Share 54.02 pence in cash

2.2 If any dividend or other distribution or return of value is proposed, declared, made, paid or becomes payable by the Company in respect of the ECSC Shares on or after the Announcement Date and prior to the Effective Date, the Offeror will have the right to reduce the value of the Consideration payable for each ECSC Share by up to the amount per ECSC Share of such dividend, distribution or return of value.

2.3 If the Offeror exercises its right to reduce the Consideration as referred to in clause 2.2 by all or part of the amount of any dividend, other distribution or other return of value:

2.3.1 ECSC Shareholders will be entitled to receive and retain that dividend, other distribution and/or return of value (or the relevant part of it) in respect of the ECSC Shares they held at the record time for the dividend, other distribution and/or other return of value;

2.3.2 any reference in this Scheme to the Consideration payable under the Scheme shall be deemed to be a reference to the Consideration as so reduced; and

2.3.3 the exercise of such rights shall not be regarded as constituting any revision or variations of the terms of this Scheme.

2.4 To the extent that any such dividend, other distribution and/or other return of value is authorised, announced, declared, made or paid and: (i) the Scheme Shares are transferred pursuant to this Scheme on a basis which entitles the Offeror to receive the dividend, other distribution and/or other return of value and to retain it or (ii) it is cancelled before payment, the Consideration will not be subject to change in accordance with clause 2 of this Scheme.

3. Settlement of Consideration

3.1 As soon as practicable after the Effective Date, and in any event no more than 14 days thereafter, the Offeror shall:

3.1.1 in the case of the Scheme Shares which at the Scheme Record Time are in certificated form:

(a) despatch or procure the despatch, to the relevant Scheme Shareholder(s) of cheque(s) for the sums payable to that Scheme Shareholder(s) in accordance with clause 2 of this Scheme;

(b) arrange electronic payment of any sums payable over £100,000 (if applicable); or

(c) settle by such other method as may be approved by the Panel;

3.1.2 in the case of the Scheme Shares which at the Scheme Record Time are in uncertificated form, instruct, or procure the instruction of, Euroclear to create an assured payment obligation in favour of the Scheme Shareholder's payment bank in respect of the sums payable to the Scheme Shareholder in accordance with the CREST assured payment arrangements provided that the Offeror reserves the right to make payment of the said Consideration by cheque as aforesaid in sub-clause 3.1.1(b) of this Scheme if, for any reason, it wishes to do so; and

3.1.3 in the case of Scheme Shares which have been issued or transferred to ECSC Directors or employees of ECSC (including former ECSC Directors or former employees of the ECSC) pursuant to the vesting and/or exercise of options granted under the ECSC Share Schemes after the sanction by the Court but before the Scheme Record Time, pay the amount due under this Scheme in respect of such Scheme Shares to the relevant ECSC employer or otherwise by such method as may be agreed with the Company, and then, to the extent required, procure that payments are made to the relevant Scheme Shareholders through payroll (subject to the deduction of any exercise price, income tax and national insurance contributions or social security contributions or any other required withholding in any relevant jurisdiction). For the

avoidance of doubt, the payment of Consideration to relevant Scheme Shareholders through payroll pursuant to this sub-clause 3.1.3 shall be effected reasonably promptly (but is not required to be effected within 14 days of the Effective Date).

- 3.2 With effect from the Scheme Record Time, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.
- 3.3 All deliveries of notices and/or cheques pursuant to this Scheme shall be effected by sending the same by first-class post in pre-paid envelopes or by international standard post if overseas (or by such other method as may be approved by the Panel) addressed to the persons entitled thereto at their respective registered addresses as appearing in the register of members of the Company at the Scheme Record Time or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time.
- 3.4 All cheques shall be in pounds sterling and shall be made payable to the Scheme Shareholder(s) concerned, and the encashment of any such cheque or the creation of any such assured payment obligation or electronic transfer as is referred to in clause 3.1 shall be a complete discharge of the Offeror's obligation under this Scheme to pay the monies represented thereby.
- 3.5 In the case of Scheme Shareholders that have not encashed cheques within six months from the Effective Date, the consideration due to such Scheme Shareholders under the Scheme will be held by the Company's Registrars for a period of 12 years from the Effective Date, in a separate UK bank account established solely for that purpose, and such Scheme Shareholders may claim the consideration due to them upon request to the Company's Registrars (plus interest accrued thereon, if any) by written notice to the Company in a form which the Company determines evidences their entitlement to such consideration at any time during the period of 12 years from the Effective Date.
- 3.6 In respect of payments made through CREST, the instruction of Euroclear to create an assured payment obligation in accordance with the CREST assured payment arrangements shall be a complete discharge of the Offeror's obligation under this Scheme with reference to the payments made through CREST.
- 3.7 None of the Offeror, the Company, the Wider Daisy Group nor the Wider ECSC Group (or any of their respective agents or nominees) shall be responsible for any loss or delay in the despatch of notices or cheques sent in accordance with this clause 3, which shall be sent at the risk of the person or persons entitled thereto.
- 3.8 The provisions of this clause 3 shall be subject to any prohibition or condition imposed by law.

4. Share Certificates and cancellations

With effect from, or as soon as practicable after, the Effective Date:

- 4.1 all certificates representing Scheme Shares shall cease to be valid as documents of title to the Scheme Shares comprised therein and every Scheme Shareholder shall be bound at the request of the Company to deliver up the same to the Company, or as it may direct, to destroy the same;
- 4.2 the Company shall procure that Euroclear be instructed to cancel or transfer the entitlements to Scheme Shares of Scheme Shareholders in uncertificated form;
- 4.3 following the cancellation of the Scheme Shares of those holders of Scheme Shares holding their shares in uncertificated form, the Company's Registrars shall be authorised to rematerialise entitlements to such Scheme Shares; and
- 4.4 on or as soon as reasonably practicable after the Effective Date and subject to the completion of such transfers, forms, instruments or instructions of transfer as may be required in accordance with clause 1 of this Scheme and the payment of any UK stamp duty thereon, the Company shall make, or procure to be made, the appropriate entries in its register of members to reflect the transfer of the Scheme Shares to the Offeror and/or its nominee(s).

5. Mandates

Save as required in relation to the settlement of Consideration pursuant to the terms of this Scheme, all mandates and other instructions given to the Company by Scheme Shareholders in force at the Scheme Record Time relating to Scheme Shares shall cease to be valid and effective on the Effective Date.

6. Operation of the Scheme

6.1 This Scheme shall become Effective as soon as a copy of the Court Order shall have been delivered to the Registrar of Companies.

6.2 Unless the Scheme has become Effective on or before 5.00 p.m. on 31 July 2023, or such later date, if any, as the Company and the Offeror may agree in writing (with the Panel's consent and the Court may approve (if such approval(s) are required)), this Scheme shall never become Effective.

7. Modification

The Offeror and the Company may jointly consent on behalf of all persons concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose. Any such modification may require the consent of the Panel.

8. Governing Law

This Scheme is governed by English law and is subject to the exclusive jurisdiction of the English courts. The rules of the Takeover Code will apply to the Scheme.

Dated: 25 April 2023

PART 5

FINANCIAL INFORMATION

Part A: Financial information relating to ECSC

The following sets out financial information in respect of ECSC as required by Rule 24.3 of the Takeover Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of ECSC for the financial year ended 31 December 2020 are set out on pages 59 to 107 (both inclusive) in ECSC's annual report for the financial year ended on 31 December 2020 available from ECSC's website at <https://investor.ecsc.co.uk>;
- the audited accounts of ECSC for the financial year ended 31 December 2021 are set out on pages 59 to 107 (both inclusive) in ECSC's annual report for the financial year ended on 31 December 2021 available from ECSC's website at <https://investor.ecsc.co.uk>; and
- copies of any interim statements and preliminary announcements made by ECSC since the date of its last published audited accounts available from ECSC's website at <https://investor.ecsc.co.uk> including the ECSC half-year results for the six months to 30 June 2022.

Part B: Ratings Information

- **ECSC:** at the date of this Document there are no, and immediately prior to the date of the Rule 2.7 Announcement there were no, current ratings or outlooks publicly accorded to ECSC by ratings agencies.
- **Daisy:** at the date of this Document there are no, and immediately prior to the date of the Rule 2.7 Announcement there were no, current ratings or outlooks publicly accorded to Daisy by ratings agencies.

Part C: Financial information relating to Daisy and Daisy Group

Prior to 8 February 2021 the ultimate holding company of the Offeror was Daisy Group Holdings Limited. On that date Daisy Holdco Limited acquired the entire issued share capital of Daisy Group Holdings Limited by way of a share for share exchange as part of a corporate restructuring. As a result the current ultimate holding company of the Offeror is now Daisy Holdco Limited, which is also the ultimate parent company of the Daisy Group.

The following sets out financial information in respect of Daisy and Daisy Group as required by Rule 24.3 of the Takeover Code. The documents referred to below, are incorporated into this Document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited consolidated accounts of Daisy Group Holdings Limited for the financial year ended 31 March 2021 are set out on pages 23 to 83 (both inclusive) of Daisy Group Holdings Limited's Annual Report and Financial Statements for the year ended 31 March 2021 available from Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/;
- the audited consolidated accounts of Daisy Holdco Limited for the financial year ended 31 March 2022 are set out on pages 25 to 86 (both inclusive) of Daisy Holdco Limited's Annual Report and Financial Statements for the year ended 31 March 2022 available from Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/; and
- the audited individual company accounts of Daisy Corporate Services Trading Limited for the financial year ended 31 March 2022 are set out on pages 15 to 47 (both inclusive) of Daisy Corporate Services Trading Limited's Annual Report and Financial Statements for the year ended 31 March 2022 available from Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/.

Part D: Effect of the Scheme becoming Effective on Daisy

Following the Scheme becoming Effective, the consolidated earnings, assets and liabilities of the Daisy Group will include the consolidated earnings, assets and liabilities of the ECSC Group on the Effective Date. Given the relative scale of the ECSC business to that of the Daisy Group, the impact of the Acquisition on the overall financial results of Daisy Group is not considered material. The annual revenue, EBITDA and net liabilities of ECSC represent less than 2 per cent. of the equivalent financial metrics of the Daisy Group.

Part E: No incorporation of website information

Save as expressly referred to herein, neither the content of ECSC's or Daisy's websites, nor the content of any website accessible from hyperlinks on ECSC's or Daisy's websites is incorporated into, or forms part of, this Document.

PART 6

UNITED KINGDOM TAXATION

The following paragraphs, which are intended as a general guide only, are based on current UK tax legislation and HMRC's published practice (both of which are subject to change, possibly with retrospective effect), and summarise certain limited aspects of the UK tax treatment of the Scheme becoming Effective. They relate only to the position of Scheme Shareholders who hold their ECSC Shares beneficially absolutely and as an investment (other than where the Scheme Shares are employment-related securities for UK tax purposes, or where the Scheme Shares have been acquired pursuant to a tax advantaged venture capital scheme, or where a tax exemption applies, for example where the Scheme Shares are held in an individual savings account or pension agreement) and who are resident or, in the case of individuals, resident and domiciled solely in the UK for UK tax purposes. The tax position of certain categories of Scheme Shareholders who are subject to special rules is not considered and it should be noted that those Scheme Shareholders may incur liabilities to UK tax on a different basis to that described below. The categories of Scheme Shareholders that are not considered includes but is not limited to persons who are: (i) brokers, dealers, intermediaries, insurance companies, trustees of certain trusts; (ii) subject to specific tax regimes or benefit from specific reliefs or exemptions (including any tax advantaged venture capital schemes); (iii) are treated as holding their Scheme Shares as carried interest; (iv) Scheme Shareholders who hold Scheme Shares as part of hedging or commercial transactions; and (v) Scheme Shareholders who hold Scheme Shares in connection with a trade, profession or vocation carried out in the UK (whether through a branch or agency or otherwise). The tax treatment of the Scheme may be different for ECSC Shareholders who acquire or acquired their ECSC Shares through the ECSC Share Schemes. Nothing in these paragraphs should be taken as providing personal tax advice.

In particular, the following paragraphs do not refer to UK inheritance tax. Scheme Shareholders should contact their own professional advisers in relation to UK inheritance tax implications of disposing of the Scheme Shares.

IF YOU ARE IN ANY DOUBT AS TO YOUR TAXATION POSITION, OR IF YOU ARE SUBJECT TO TAXATION IN ANY JURISDICTION OTHER THAN THE UK, YOU SHOULD CONSULT AN APPROPRIATE PROFESSIONAL ADVISER IMMEDIATELY.

1. Chargeable gains

General

Scheme Shareholders who transfer their Scheme Shares pursuant to the Scheme will be treated as making a disposal of their Scheme Shares. Liability to UK tax on chargeable gains will depend on the individual circumstances of each Scheme Shareholder. The receipt by a Scheme Shareholder of cash under the Scheme will be treated as consideration for a disposal of their Scheme Shares which may, depending on the Scheme Shareholder's particular circumstances (including the availability of exemptions or allowable losses), give rise to a liability to UK tax on chargeable gains. Scheme Shareholders realising a chargeable gain on disposal of their Scheme Shares will generally be subject to capital gains tax (in the case of individuals) or corporation tax (in the case of companies) on such chargeable gains.

There are various reliefs which could apply to reduce or eliminate any chargeable gain which arises on the disposal of the Scheme Shares.

The gain will be calculated as the difference between: (a) the sale proceeds; and (b) any allowable costs and expenses, including the cost to the Scheme Shareholder of originally acquiring the Scheme Shares.

Individual Scheme Shareholders

Subject to available exemptions, reliefs, allowances and/or available losses, chargeable gains arising on a disposal of Scheme Shares by an individual UK resident Scheme Shareholder should be subject to UK capital gains tax at the rate of 10 per cent. or 20 per cent. (for tax year 2023/2024) depending on the individual's personal circumstances, including other taxable income and chargeable gains in the relevant tax year.

No indexation allowance will be available to an individual Scheme Shareholder in respect of the Scheme. The capital gains annual tax exempt allowance (£6,000 for tax year 2023/2024) may, however, be available to individual UK resident Scheme Shareholders to offset against chargeable gains realised on the disposal of their Scheme Shares pursuant to the Scheme, to the extent it has not already been utilised by that individual Scheme Shareholder.

Corporate Scheme Shareholders

Subject to available exemptions (including the substantial shareholding exemption), reliefs, allowances and/or allowable losses, chargeable gains arising on a disposal of Scheme Shares by a UK resident Scheme Shareholder within the charge to UK corporation tax will be subject to UK corporation tax at between 19 per cent. and 25 per cent. (inclusive – for tax year 2023/2024 – depending on the profits of the relevant Scheme Shareholder).

For Scheme Shareholders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding exemption in respect of their Scheme Shares), indexation allowance may be available where the Scheme Shares were acquired prior to 31 December 2017 in respect of the period of ownership of the Scheme Shares up to and including 31 December 2017 to reduce any chargeable gain arising (but not to create or increase any allowable loss) on the disposal of their Scheme Shares pursuant to the Scheme.

2. Other direct tax matters

Special tax provisions may apply to Scheme Shareholders who have acquired or who acquire their Shares by exercising options under the ECSC Share Schemes, including provisions imposing a charge to income tax.

3. Stamp duty and stamp duty reserve tax (“SDRT”)

No stamp duty or SDRT will be payable by Scheme Shareholders on the transfer of their Shares under the Scheme.

PART 7

ADDITIONAL INFORMATION

1. Responsibility

- 1.1 The ECSC Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this Document (including expressions of opinion), other than information for which responsibility is taken by the Daisy Responsible Persons pursuant to paragraph 1.2 below. To the best of the knowledge and belief of the ECSC Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Daisy Responsible Persons accept responsibility for all the information contained in this document relating to Daisy, the Daisy Group and the Wider Daisy Group, the Daisy Responsible Persons and their respective members of their immediate families, related trusts and persons connected with the Daisy Responsible Persons, and persons acting in concert (as such term is defined in the Takeover Code) with Daisy. The Daisy Responsible Persons will not be responsible for any information for which responsibility is taken by the ECSC Directors. To the best of the knowledge and belief of Daisy Responsible Persons (who have taken all reasonable care to ensure that such is the case) the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors and Responsible Persons

- 2.1 The ECSC Directors and their respective positions are:

<i>Name</i>	<i>Position</i>
Ian Mann	<i>Executive Chairman</i>
Matthew Briggs	<i>Chief Executive Officer</i>
Lucy Sharp	<i>Chief Operating Officer</i>
David Mathewson	<i>Non-Executive Director</i>
Gemma Basharan	<i>Chief Financial Officer</i>

The business address of ECSC and of each of the ECSC Directors is 28 Campus Road, Listerhills Science Park, Bradford, West Yorkshire, BD7 1HR.

The Company Secretary of ECSC is David Mathewson.

- 2.2 The Daisy Responsible Persons and their respective positions are:

Directors of Daisy

<i>Name</i>	<i>Position</i>
Neil Philip Thompson	<i>Chief Executive Officer</i>
Kristian Brian Lee	<i>Chief Financial Officer</i>
Lyndsey Jane Charlton	<i>Chief Operating Officer</i>
Elizabeth Poltawski	<i>Chief Commercial Officer</i>
Iulia Laura Knight	<i>Managing Director – Operational Resilience and Cyber Security</i>
Emma Jane Robshaw	<i>People Director</i>
Gareth Lloyd Tunnicliffe	<i>Customer Service Director</i>

Directors of Daisy Holdco Limited

<i>Name</i>	<i>Position</i>
Matthew Riley	<i>Founder and Chairman</i>
David McGlennon	<i>General Counsel and Company Secretary</i>
William Grout	<i>Non-executive Director and appointee of Sunflower Investment S.a.r.l</i>
Michael Dennis	<i>Non-executive Director and appointee of Sunflower Investment S.a.r.l</i>

The business address of Daisy, Daisy Holdco Limited and of each of the Daisy Responsible Persons is Lindred House 20 Lindred Road, Brierfield, Nelson, BB9 5SR.

Persons acting in concert

- 2.3 In addition to the ECSC Directors (together with their close relatives and related trusts) and members of the Wider ECSC Group, the persons who, for the purposes of the Takeover Code, are acting in concert with ECSC in respect of the Acquisition and who are required to be disclosed are:

<i>Name</i>	<i>Registered office</i>	<i>Relationship with ECSC</i>
Allenby Capital Limited	5th Floor 5 St Helen's Place London EC3A 6AB	Rule 3 Adviser, Nominated Adviser and Broker

- 2.4 In addition to the Daisy Responsible Persons (together with their close relatives and related trusts) and members of the Wider Daisy Group, the persons who, for the purposes of the Takeover Code are acting in concert with Daisy in respect of the Acquisition and who are required to be disclosed are:

<i>Name</i>	<i>Registered office</i>	<i>Relationship with Daisy</i>
Ernst & Young LLP	1 More London Place London SE1 2AF	Financial Adviser

- 2.5 The following persons have an indirect interest of five per cent. or more in the Offeror as a result of their shareholdings in Daisy Holdco Limited:

<i>Name</i>	<i>Shareholding in Daisy Holdco Limited/%</i>
Sunflower Investment S.a.r.l	54.85
Robinson Capital Limited ¹	33.17
Ellisfield Bermuda Limited	11.91

¹ Robinson Capital Limited is a company controlled by Matthew Riley in which members of his family and family trust have non-voting equity shares.

3. Market quotations

- 3.1 The following table shows the Closing Price for the ECSC Shares on AIM on:

- the Latest Practicable Date
- 30 March 2023, being the last Business Day prior to the commencement of the Offer Period; and
- the first Business Day of each of the six months immediately before the date of this Document.

<i>Date</i>	<i>ECSC Share (pence)</i>
Latest Practicable Date	52.50
30 March 2023	20.00
03 April 2023	50.00
01 March 2023	25.00
01 February 2023	25.00
03 January 2023	26.50
01 December 2022	27.00
01 November 2022	28.00

4. Interests and dealings in relevant securities

4.1 For the purposes of this paragraph 4:

“**acting in concert**” has the meaning given to it in the Takeover Code; “**connected adviser**” has the meaning given to it in the Takeover Code;

“**connected person**” in relation to a director of Daisy or ECSC includes:

- (a) such director’s spouse or civil partner and children or step-children under the age of 18;
- (b) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (a);
- (c) any company in which such director and/or any person mentioned in (a) or (b) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and
- (d) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act;

“**control**” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights (as defined in the Takeover Code) of a company, irrespective of whether the holding or aggregate holding gives de facto control;

“**dealing**” has the meaning given to it in the Takeover Code and “**dealt**” has the corresponding meaning;

“**derivative**” includes any financial product whose value in whole or in part is determined directly or indirectly by reference to the price of an underlying security;

“**disclosure date**” means the Latest Practicable Date;

“**disclosure period**” means the period commencing on 31 March 2022, being the date 12 months prior to the Announcement Date (being the commencement of the Offer Period), and ending on the disclosure date;

“**exempt principal trader**” and “**exempt fund manager**” have the meanings attributed to them in the Takeover Code;

“**financial collateral arrangements**” are arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code;

“**interest**” in relevant securities has the meaning given to it in the Takeover Code;

“**Note 11 arrangement**” includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing (other than irrevocable commitments and letters of intent to vote in favour of the Scheme and/or related resolutions, details of which are set out in paragraph 6);

“**relevant Daisy securities**” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of Daisy including equity share capital of Daisy (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;

“**relevant ECSC securities**” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree company) of ECSC including equity share capital of ECSC (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and

“**short position**” means any short position (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.

4.2 **Interests in relevant ECSC securities**

- (a) As at the disclosure date, the interests of the ECSC Directors (and their close relatives, related trusts and connected persons) in ECSC Shares were as follows:

<i>ECSC Director</i>	<i>Number of ECSC Shares</i>	<i>Percentage of ECSC issued share capital</i>
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%

- (b) As at the disclosure date, the ECSC Directors held the following outstanding awards and options over ECSC Shares under the ECSC Share Schemes:

ECSC Options

<i>ECSC Director</i>	<i>Maximum number of ECSC shares awarded</i>	<i>Date(s) of grant</i>	<i>Share price at grant (£)</i>	<i>Exercise price(s) per share (£)</i>	<i>Vesting period</i>
Ian Mann	100,000	28.9.2020	0.69	0.69	1-4 years
Matthew Briggs	–	–	–	–	–
Lucy Sharp	100,000	21.8.2020	0.65	0.65	None
	144,758	28.9.2020	0.69	0.69	1-4 years
David Mathewson	100,000	18.4.2021	0.75	0.79	None
Gemma Basharan	65,651	21.8.2020	0.65	0.65	None
	80,000	28.9.2020	0.69	0.69	1-4 years
	100,000	28.9.2020	0.69	0.69	1-4 years

- (c) As the exercise price of all of the above options is above the offer price, it is expected that all of the above share options will lapse upon the Scheme becoming effective.
- (d) Daisy and persons acting in concert with Daisy do not hold any interest in any relevant ECSC securities as at the disclosure date.

4.3 **Dealings in relevant ECSC securities**

ECSC

During the Offer Period, there have been no dealings in relevant ECSC securities by ECSC Directors (and their respective close relatives, related trusts and connected persons) or by persons acting in concert with ECSC.

Daisy

During the Offer Period there have been no dealings in relevant ECSC securities by Daisy Directors (and their respective close relatives, related trusts and connected persons) or by persons acting in concert with Daisy.

4.4 **General**

Save as disclosed in this Document, as at the disclosure date:

- (a) none of: (i) Daisy; (ii) any director of Daisy or any close relative, related trust or connected person of any such director; or (iii) any other person acting in concert with Daisy, had any interest in, right to subscribe in respect of, or short position in respect of relevant ECSC securities, and no such person has dealt in any relevant ECSC securities during the disclosure period;
- (b) neither Daisy nor any person acting in concert with Daisy had borrowed or lent any relevant ECSC securities (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (c) none of: (i) ECSC, (ii) any director of ECSC, or any close relative, related trust or connected person of any such director; or (iii) any other person acting in concert with ECSC, had any interest in, right to subscribe in respect of, or short position in relation to relevant ECSC securities; and no such person has dealt in any relevant ECSC securities during the Offer Period;
- (d) none of: (i) ECSC, (ii) any director of ECSC, or any close relative, related trust or connected person of any such director; or (iii) any other person acting in concert with ECSC had any interest in, right to subscribe in respect of, or short position in relation to relevant Daisy securities of Daisy, and no such person has dealt in any relevant Daisy securities during the Offer Period;
- (e) neither ECSC nor any person acting in concert with it had borrowed or lent any relevant ECSC securities (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (f) neither Daisy nor any person acting in concert with Daisy has any Note 11 arrangement with any other person; and
- (g) neither ECSC nor any person acting in concert with ECSC has any Note 11 arrangement with any other person.

5. **Irrevocable undertakings**

5.1 **Shareholder irrevocable undertakings from ECSC Directors**

The following ECSC Directors have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting and, if Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer, in each case in respect of their own legal and/or beneficial holdings (or those ECSC Shares over which they have control) of ECSC Shares as well as any further ECSC Shares which they may become the legal or beneficial holder of (save for any ECSC Shares which they may become the legal or beneficial holder of on exercise of any tax-advantaged options), being on the Latest Practicable Date:

<i>ECSC Director</i>	<i>Number of ECSC Shares</i>	<i>Percentage of ECSC issued share capital</i>
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%

The irrevocable undertakings referred to in this paragraph 5.1 cease to be binding on the earlier of the following occurrences:

- (i) this 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 the Rule 2.7 Announcement;
- (ii) 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

- (iii) 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.

5.2 **Other shareholder irrevocable undertakings**

The following holders, controllers and/or beneficial owners of ECSC Shares have given irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Special Resolution to be proposed at the General Meeting and, if Daisy exercises its right to implement the Acquisition by way of a Takeover Offer, to accept or procure acceptance of such offer, in each case in respect of their own legal and/or beneficial holdings (or those ECSC Shares over which they have control) of ECSC Shares as well as any further ECSC Shares which they may become the legal or beneficial holder of, being on the Latest Practicable Date:

<i>Beneficial Holder</i>	<i>Registered Holder</i>	<i>Number of ECSC Shares</i>	<i>Percentage of ECSC issued share capital</i>
Phil McLear	Phil McLear	472,290	4.72%
Ian Castle	Ian Castle	205,029	2.05%
Ian Castle	JIM Nominees Limited	32,412	0.32%
Paul Lambsdawn	Paul Lambsdawn	183,852	1.84%
Paul Lambsdawn	JIM Nominees Limited	17,181	0.17%
Total		<u>910,764</u>	<u>9.10%</u>

The irrevocable undertakings referred to in this paragraph 5.2 cease to be binding on the earlier of the following occurrences:

- (i) this 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 the Rule 2.7 Announcement;
- (ii) 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
- (iii) 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.

6. **Service contracts and letters of appointment of the ECSC Directors**

6.1 **ECSC executive Directors**

- (a) *Ian Mann, Executive Chairman*

Ian Mann is engaged under a service contract with ECSC.

Ian Mann is entitled to receive an annual salary of £225,000, together with private healthcare, pension, and a car allowance, and is eligible to participate in the share incentive options. Ian Mann's appointment commenced on 13 April 2018 and is terminable by either party giving to the other six calendar months' written notice or immediately by ECSC making a payment in lieu of

fees for the next six months at the rate payable at the date of termination, or, if less, the balance of fees for any unexpired term of notice.

Ian Mann is entitled to 25 days' paid holiday per annum, together with the usual public holidays.

Ian Mann is subject to a confidentiality undertaking without limitation in time and to non-competition and non-solicitation restrictive covenants for a period of 12 months after the termination of his service agreement (less any period spent on 'garden leave').

(b) *Matthew Briggs, Chief Executive Officer*

Matthew Briggs is engaged under a service contract with ECSC.

Matthew Briggs is entitled to receive an annual salary of £160,000 plus £12,000 car allowance (subject to an increase to £200,000 upon the Company's revenue exceeding £8 million per annum (*pro rata*) for two consecutive quarters and subject to a further increase to £240,000 upon the Company's revenue exceeding £10 million per annum (*pro rata*) for two consecutive quarters and the EBITDA of the Company exceeding £1 million per annum (*pro rata*) for two consecutive quarters). Matthew Briggs is also entitled to private healthcare, pension, and a car allowance and is eligible to participate in the share incentive options. Matthew Briggs' appointment commenced on 28 July 2022 and is terminable by either party giving to the other six calendar months' written notice or immediately by ECSC making a payment in lieu of fees for the next six months at the rate payable at the date of termination, or, if less, the balance of fees for any unexpired term of notice.

Matthew Briggs is entitled to 25 days' paid holiday per annum, together with the usual public holidays.

Matthew Briggs is subject to a confidentiality undertaking without limitation in time and to non-competition and non-solicitation restrictive covenants for a period of 12 months after the termination of his service agreement (less any period spent on 'garden leave').

Matthew Briggs is also entitled to a sale bonus payment, further details of which are set out at paragraph 7.1(b) below.

(c) *Lucy Sharp, Chief Operating Officer*

Lucy Sharp is engaged under a service contract with ECSC.

Lucy Sharp is entitled to receive an annual salary of £140,000, together with private healthcare, pension, and a car allowance and is eligible to participate in the share incentive options. Lucy Sharp's appointment commenced on 2 November 2012 and is terminable by either party giving to the other six calendar months' written notice or immediately by ECSC making a payment in lieu of fees for the next six months at the rate payable at the date of termination, or, if less, the balance of fees for any unexpired term of notice.

Lucy Sharp is entitled to 25 days' paid holiday per annum, together with the usual public holidays.

Lucy Sharp is subject to a confidentiality undertaking without limitation in time and to non-competition and non-solicitation restrictive covenants for a period of 18 months after the termination of her service agreement (less any period spent on 'garden leave').

(d) *Gemma Basharan, Chief Financial Officer*

Gemma Basharan is engaged under a service contract with ECSC.

Gemma Basharan is entitled to receive an annual salary of £100,000, together with private healthcare, pension, and a car allowance and is eligible to participate in the share incentive options. Gemma Basharan's appointment commenced on 25 March 2020 and is terminable by either party giving to the other six calendar months' written notice or immediately by ECSC making a payment in lieu of fees for the next six months at the rate payable at the date of termination, or, if less, the balance of fees for any unexpired term of notice.

Gemma Basharan is entitled to 25 days' paid holiday per annum, together with the usual public holidays.

Gemma Basharan is subject to a confidentiality undertaking without limitation in time and to non-competition and non-solicitation restrictive covenants for a period of 18 months after the termination of her service agreement (less any period spent on 'garden leave').

6.2 **ECSC non-executive Director**

(a) *ECSC non-executive Director*

David Mathewson is engaged under a letter of appointment dated 5 April 2018 which is terminable by either party on three months' written notice. He is entitled to receive an annual fee of £32,000 and is entitled to participate in the ECSC non-executive share scheme.

(b) *Other service agreements*

Save as disclosed in this Document, there are no service agreements between any ECSC Director or proposed director of ECSC and any member of the ECSC Group and, save as disclosed in this Document, no such contract has been entered into or amended within six months preceding the date of this Document.

7. **Material contracts**

7.1 **ECSC material contracts**

(a) *Confidentiality Agreement*

Daisy and ECSC entered into a confidentiality agreement dated 30 November 2022 pursuant to which Daisy has agreed 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 for a period of three years expiring on 30 November 2025.

(b) *Service Contract Amendment*

Under the terms of his service agreement dated 8 December 2022 as amended pursuant to a letter of variation dated 23 March 2023, 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 per cent. of his base salary plus car allowance; and (ii) 1.5 per cent. (amended from 2 per cent. pursuant to the letter of variation dated 23 March 2023) of the purchase price payable upon the sale of ECSC. This bonus will become payable to Matthew Briggs upon the Scheme becoming effective, which is expected in early June 2023.

7.2 **Daisy material contracts**

(a) *Confidentiality Agreement*

See paragraph 7.1(a) above for details on the Confidentiality Agreement between Daisy and ECSC.

(b) *Datacentres Disposal*

On 26 September 2022, Daisy entered into an asset purchase agreement ("**APA**") for the sale of certain of its assets to Asanti Datacentres Limited, for total consideration of £6,900,000. The transaction subsequently completed on 22 November 2022 following satisfaction of certain conditions (as set out in the APA). The assets sold comprised four leasehold properties, one freehold property and all fixed assets located at each property and the transfer of certain employees under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (as amended) ("**TUPE**"). The APA contains customary warranties and indemnities by both parties in relation to the TUPE transfer of employees.

(c) *Sungard Agreement*

On 18 May 2022, Daisy entered into an introduction, commission and option agreement with Sungard Availability Services (UK) Limited (in administration) (“**Sungard**”) and its administrators, Benjamin Dymant and Ian Wormleighton. Pursuant to the agreement, Daisy had exclusive access to the customer book of Sungard for a period of approximately 5 months following completion of the agreement and Sungard made exclusive introductions of its customer book members to Daisy. The consideration comprised £500,000 for the exclusivity period, payment of cost coverage fees as set out in schedule 3 of the agreement and payment of commission in relation to each successful introduction, in accordance with schedule 2 of the agreement.

(d) Save as set out above there are no contracts that have been entered into by Daisy or its subsidiaries other than in the ordinary course of business in the two years immediately preceding 31 March 2023 (the date of Commencement of the Offer Period) and which are, or may be, material to Daisy.

8. Acquisition-related fees and expenses

8.1 Fees and expenses of the Wider Daisy Group

The aggregate fees and expenses expected to be incurred by the Wider Daisy Group in connection with the Acquisition (excluding any applicable VAT) are expected to be:⁸

<i>Category</i>	<i>Amount (excluding applicable VAT)</i> <i>(£)</i>
Financing arrangements	£3,500
Financial and corporate broking advice	£315,000 ⁹
Legal advice	£195,000
Accounting advice	£Nil
Public relations advice	£Nil
Other professional services	£46,000
Other costs and expenses	£5,500
TOTAL	£565,000

8.2 Fees and expenses of ECSC

The aggregate fees and expenses expected to be incurred by ECSC in connection with the Acquisition (excluding any applicable VAT) are expected to be:⁸

<i>Category</i>	<i>Amount (excluding applicable VAT)</i> <i>(£)</i>
Financial and corporate broking advice	£150,000 ⁹
Legal advice	£150,000 ¹⁰
Public relations advice	Nil
Other professional services	£10,615 ¹¹
Other costs and expenses	£6,675 ¹²
TOTAL	£317,290

8 Amounts have been subjected to rounding adjustments.

9 Amount payable in respect of the aggregate fees and expenses for these services depends on the Offer becoming Effective. The total does not include disbursements.

10 Amount excludes disbursements but includes counsel’s fees for services in connection with the court process relating to the Scheme. Certain parts of these costs may also depend on whether the Offer becomes Effective.

11 Certain of these services are provided by reference to hourly or daily rates. Amounts included in the table above reflect the time incurred up to the Latest Practicable Date and an estimate of the further time required prior to the Effective Date.

12 Amount includes costs of printing and data room costs.

- 8.3 Save as disclosed in this Document, the emoluments of the ECSC Directors and the Daisy Directors will not be affected by the Acquisition or any other associated transaction.
- 8.4 There is no agreement or arrangement to which Daisy is a party which relates to the circumstances in which it may or may not invoke a Condition to the Scheme.

9. Cash confirmation

Ernst and Young LLP, financial adviser to Daisy, is satisfied that sufficient resources are available to satisfy in full the cash Consideration payable to Scheme Shareholders under the terms of the Acquisition.

10. No significant change

There has been no significant change in the financial or trading position of ECSC since 30 June 2022, being the date to which the latest interim financial information published by ECSC was prepared.

11. Sources and bases of selected financial information

11.1 The value of ECSC as implied by the offer price stated in this Document is based on the fully diluted share capital of 10,013,999 as at the Announcement Date (being the day of commencement of the Offer Period), comprising as follows:

- 11.1.1 issued ordinary share capital of 10,007,588 ECSC Shares (per the confirmation by ECSC pursuant to Rule 2.9 of the Takeover Code set out herein);
- 11.1.2 *plus* 6,411 of additional ECSC Shares resulting from the settlement of dilutive instruments related to in-the-money employee share options.

11.2 Further sources of information regarding data reported in this Document are as follows:

- 11.2.1 the Closing Price per ECSC Share of 20 pence on 30 March 2023 (being the last Business Day prior to the date the Acquisition was first received by the ECSC Directors) is the closing middle market price derived from Fidessa;
- 11.2.2 the Closing Price per ECSC Share of 50 pence on the Announcement Date (being the date of commencement of the Offer Period) is the closing middle market price derived from Fidessa;
- 11.2.3 the Closing Price per ECSC Share on the first Business Day of each of the six months immediately before the date of this Document is the closing middle market price derived from Fidessa;
- 11.2.4 the 3 month and 12 month volume-weighted average prices per ECSC Share for the periods up to and including the Business Day prior to the Announcement Date (being the date of commencement of the Offer Period) are sourced from Bloomberg;
- 11.2.5 unless otherwise stated, the financial information relating to ECSC is extracted from the audited report and accounts of ECSC for the financial year ended 31 December 2021 or from the interim report and accounts of ECSC for the six months ended 30 June 2022; and
- 11.2.6 certain figures included in this Document have been subject to rounding adjustments.

12. Incorporation by reference

- 12.1 Parts of other documents are incorporated by reference in, and form part of, this Document.
- 12.2 Part 5 (Financial Information) of this Document sets out which sections of such documents are incorporated into this Document.
- 12.3 A person who has received this Document may request a copy of such documents incorporated by reference. A copy of any such documents or information incorporated by reference will not be sent to such persons unless requested from the Company's Registrars at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA or by calling the Company's Registrars on +44 (0)371 384 2050. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United

Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that the Company's Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

13. Other information

- 13.1 Each of Allenby and EY has given and not withdrawn its written consent to the issue of this Document with the inclusion of the reference to its name in the form and context in which they appear.
- 13.2 Save as disclosed in this Document, there is no agreement, arrangement or understanding (including any compensation arrangement) between Daisy or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of ECSC, or any person interested or recently interested in ECSC Shares, having any connection with or dependence on or which is conditional upon the outcome of the Acquisition.
- 13.3 There is no agreement, arrangement or understanding whereby the beneficial ownership of the ECSC Shares to be acquired by Daisy will be transferred to any other person, save that Daisy reserves the right to transfer any such shares to any other member of Daisy Group.
- 13.4 Save with the consent of the Panel, settlement of the Consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme without regard to any lien or right of set-off, counterclaim or other analogous right to which Daisy may otherwise be, or claim to be, entitled against any such Scheme Shareholder.

14. Documents available for inspection

Until and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, if earlier) a copy of each of the following documents will be available via a link on ECSC's website at <https://investor.ecsc.co.uk> and Daisy's website at www.daisyuk.tech/offer-for-ecsc-group-plc/:

- 14.1 this Document;
- 14.2 the Forms of Proxy;
- 14.3 the ECSC Articles;
- 14.4 the memorandum and articles of association of Daisy;
- 14.5 the audited accounts of ECSC for the financial year ended 31 December 2020;
- 14.6 the audited accounts of ECSC for the financial year ended 31 December 2021;
- 14.7 any interim statements and preliminary announcements made by ECSC Plc since the date of its last published audited accounts, including the ECSC half-year results for the six months to 30 June 2022.
- 14.8 the audited consolidated accounts of Daisy Group Holdings Limited for the financial year ended 31 March 2021;
- 14.9 the audited consolidated accounts of Daisy Holdco Limited for the financial year ended 31 March 2022;
- 14.10 the audited individual company accounts of Daisy for the financial year ended 31 March 2022;
- 14.11 the written consent from each of Allenby and EY referred to at paragraph 13.1 of this Part 7;
- 14.12 the irrevocable undertakings referred to at paragraph 5 of this Part 7;
- 14.13 the material contracts referred to at paragraph 7 of this Part 7 to the extent they were entered into in connection with the Acquisition; and
- 14.14 the Confidentiality Agreement referred to at paragraph 7.1(a) of this Part 7.

PART 8

DEFINITIONS

The following definitions apply throughout this Document unless the context otherwise requires:

“Accounts Date”	31 December 2021;
“Acquisition”	the recommended cash acquisition of the entire issued and to be issued ordinary share capital of ECSC (other than any Excluded Shares) at a price of 54.02 pence per ECSC Share in cash to be effected by means of the Scheme or (should Daisy so elect, subject to the consent of the Panel) by means of a Takeover Offer and, in either case, where the context admits, any subsequent variation, revision, extension or renewal thereof;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;
“AIM”	the market of that name operated by the London Stock Exchange;
“Allenby”	Allenby Capital Limited, acting as Rule 3 Adviser, Nominated Adviser and Broker to ECSC;
“Announcement Date”	31 March 2023;
“Authorisations”	regulatory authorisations, orders, recognitions, grants, determinations, consents, clearances, confirmations, certificates, licences, permissions, exemptions or approvals;
“Business Day”	a day (other than Saturdays, Sundays and public holidays in the United Kingdom) on which banks are generally open for business in 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”	the middle market price of an ECSC Share at the close of business on the day to which such price relates, as derived from the AIM Appendix to the Daily Official List of the London Stock Exchange for that day;
“Companies Act”	the Companies Act 2006, as amended from time to time;
“Conditions”	the conditions to the Acquisition, as set out in Part 3 (Conditions to and Further Terms of the Scheme and the Acquisition) of this Document and “Condition” shall mean any one of them;
“Confidentiality Agreement”	the confidentiality agreement entered into between Daisy Intermediate Holdings Limited (a holding company of Daisy) and ECSC dated 30 November 2022 in respect of the Acquisition;
“Consideration”	the consideration payable to ECSC Shareholders pursuant to the Acquisition, comprising 54.02 in cash per ECSC Share;
“Court”	the High Court of Justice in England and Wales;

“Court Hearing”	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act and if such hearing is adjourned reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof;
“Court Meeting”	the meeting of eligible Scheme Shareholders (and any adjournment thereof) to be convened pursuant to an order of the Court under section 896 of the Companies Act for the purposes of considering and, if thought fit, approving the Scheme (with or without amendment) including any adjournment thereof, notice of which is set out in Part 9 (Notice of Court Meeting) of this Document, and including any adjournment, postponement or reconvening thereof;
“Court Order”	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
“Court Sanction Date”	the date on which the Court sanctions the Scheme under section 899 of the Companies Act;
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the CREST Regulations);
“CREST Manual”	the CREST Manual published by Euroclear, as amended from time to time;
“CREST Proxy Instruction”	the proxy appointment or instruction made using the CREST service, properly authenticated in accordance with the specifications of Euroclear and containing the information required by the CREST Manual;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (including as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018), as amended from time to time;
“Daily Official List”	the Daily Official List published by the London Stock Exchange;
“Daisy” or “Offeror”	Daisy Corporate Services Trading Limited, a private limited company incorporated in England & Wales with registered number 02888250;
“Daisy Directors”	the directors of Daisy from time to time;
“Daisy Group”	Daisy Holdco and its subsidiary and associated undertakings;
“Daisy Holdco”	Daisy Holdco Limited, a private 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;
“Daisy Responsible Persons”	the directors of Daisy and the directors of Daisy Holdco Limited;

“Disclosed”	(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 the Announcement; or (e) disclosed in the Rule 2.7 Announcement.
“Document”	this document dated 25 April 2023 addressed to ECSC Shareholders containing the Scheme and an explanatory statement in compliance with section 897 of the Companies Act;
“EY”	Ernst & Young LLP;
“ECSC Articles”	the articles of association of ECSC as amended from time to time;
“ECSC Board” or “ECSC Directors”	the directors of ECSC from time to time;
“ECSC”	ECSC and its subsidiaries and its subsidiary undertakings and where the context permits, each of them;
“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”	holders of ECSC Shares
“ECSC Shares”	the ordinary shares of 1 pence each in the share capital of ECSC from time to time;
“ECSC” or the “Company”	ECSC Group plc, a public limited company incorporated in England and Wales registered with registered number 03964848;
“Effective Date”	the date on which the Scheme becomes effective in accordance with its terms;
“Effective”	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;
“Excluded Shares”	any ECSC Shares held by the Company in treasury, at any relevant date or time;
“FCA” or “Financial Conduct Authority”	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;

“General Meeting”	the general meeting of ECSC Shareholders (and any adjournment thereof) to be convened in connection with the Scheme to consider and, if thought fit, to approve the Special Resolution (with or without amendment), which is expected to be held as soon as the preceding Court Meeting shall have concluded or been adjourned and notice of which is set out in Part 10 (Notice of General Meeting) of this Document;
“HMRC”	His Majesty’s Revenue & Customs;
“IFRS”	International Financial Reporting Standards;
“Latest Practicable Date”	close of business on 24 April 2023 being the latest practicable date before publication of this Document;
“London Stock Exchange”	London Stock Exchange plc, a public company incorporated in England and Wales under number 2075721;
“Long Stop Date”	5.00 p.m. on 31 July 2023, or such later date, if any, as Daisy and ECSC may agree and, if required, the Court and the Panel may allow;
“Meetings”	the Court Meeting and/or the General Meeting, as the case may be;
“NS&I Act”	the National Security and Investment Act 2021, together with its secondary legislation and associated regulatory rules;
“Offer Period”	the offer period (as defined by the Takeover Code) relating to ECSC, which commenced on the Announcement Date;
“Overseas Shareholders”	means any holder of ECSC Shares who is registered as residing (or in the case of a corporate shareholder, incorporated) outside of the United Kingdom;
“Panel”	the Panel on Takeovers and Mergers;
“Registrar of Companies”	the Registrar of Companies in England and Wales;
“Registrar”	Equiniti Limited of Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA;
“Regulatory Information Service”	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;
“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;
“Rule 2.7 Announcement”	the joint announcement made by Daisy and ECSC in relation to the Acquisition on the Announcement Date;
“Sanction Hearing”	the Court hearing to sanction the Scheme;
“Scheme Record Time”	6.00 p.m. on the Business Day immediately prior to the Effective Date, or such later time as Daisy and ECSC may agree;
“Scheme Shareholders”	the holders of Scheme Shares at any relevant date or time;

“Scheme Shares”	<p>the ECSC Shares:</p> <p>(a) in issue at the date of this Document;</p> <p>(b) (if any) issued after the date of this Document and prior to the Voting Record Time; and</p> <p>(c) (if any) issued on or after the Voting Record Time and on or prior to the Scheme Record Time either on terms that the original or any subsequent holders thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holders thereof,</p> <p>and in each case remaining in issue at the Scheme Record Time, but excluding any Excluded Shares;</p>
“Scheme”	<p>the proposed scheme of arrangement under Part 26 of the Companies Act to effect the Acquisition, the full terms of which are set out in this Document, with or subject to any modification, addition or condition which ECSC and Daisy may agree and, if required, the Court may approve or impose;</p>
“Secretary of State”	<p>Secretary of State for Business and Trade;</p>
“Special Resolution”	<p>the special resolution to (i) authorise the ECSC Directors (or a duly authorised committee thereof) to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect (ii) approve the amendment of the ECSC Articles, and (iii) approve the re-registration of the Company as a private limited company, to be considered at the General Meeting as set out in Part 10 (Notice of General Meeting) of this Document;</p>
“Substantial Interest”	<p>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;</p>
“Takeover Code”	<p>the City Code on Takeovers and Mergers as amended from time to time;</p>
“Takeover Offer”	<p>a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act to be made by or on behalf of Daisy to acquire the entire issued and to be issued share capital of ECSC;</p>
“Third Party”	<p>each of a central bank, government or governmental, quasigovernmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body (including without limitation any antitrust regulator), court, trade agency, association, institution, environmental body, or any other body or person whatsoever in any jurisdiction;</p>
“UK” or “United Kingdom”	<p>United Kingdom of Great Britain and Northern Ireland;</p>
“US” or “United States”	<p>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;</p>
“Voting Record Time”	<p>6.30 p.m. on the day which is two days (excluding non-working days) before the date of the Court Meeting and the General Meeting or, if the Court Meeting and/or the General Meeting is adjourned, 6.30 p.m. on the day which is two days (excluding non-working days) before the date of such adjourned Meeting;</p>

“Voting Shares”

the ECSC Shares, save for any Excluded Shares;

“Wider Daisy Group”

Daisy, any parent undertaking of Daisy, any undertaking which is a subsidiary undertaking or associated undertaking of Daisy or of any such parent undertaking, and any other undertakings in which that company and such undertakings (aggregating their interests) have a Substantial Interest; and

“Wider ECSC Group”

ECSC, its subsidiary undertakings, associated undertakings and any other undertakings in which that company and such undertakings (aggregating their interests) have a Substantial Interest.

All references to “**pounds**”, “**pounds Sterling**”, “**Sterling**”, “**£**”, “**pence**”, “**penny**” and “**p**” are to the lawful currency of the United Kingdom.

All times referred to in this Document are London times. References to the singular include the plural and vice versa.

All references to statutory provisions 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 all statutory instruments, regulations and order from time to time made thereunder or deriving validity therefrom.

PART 9

NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS
OF ENGLAND AND WALES COMPANIES
COURT (ChD)

Claim No. CR-2023-001468

Deputy Insolvency and Companies Court
Judge Baister

IN THE MATTER OF ECSC GROUP PLC and IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that by an Order dated 21 April 2023 made in the above matters, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the Scheme Shareholders (as defined in the Scheme of Arrangement referred to below), for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement pursuant to Part 26 of the Companies Act 2006 (as amended) proposed to be made between ECSC Group PLC (in this Notice of Court Meeting, the “**Company**”) and the Scheme Shareholders (as defined in the said Scheme of Arrangement) and that such meeting will be held at the offices of Freeths LLP, One Vine Street, London, W1J 0AH on 24 May 2023 at 11.30 a.m. at which place and time all holders of the Scheme Shares are requested to attend.

A copy of the said Scheme of Arrangement and a copy of the explanatory statement required to be published pursuant to section 897 of the Companies Act 2006 are incorporated in the document of which this notice forms part.

Unless the context requires otherwise, any capitalised term used but not defined in this notice shall have the meaning given to such term in the document of which this notice forms part.

Voting on the resolution to approve the Scheme will be by way of a poll, which shall be conducted as the Chair of the Court Meeting may determine.

Right to appoint a proxy: procedure for appointment

Scheme Shareholders entitled to attend and vote at the meeting may vote in person at the Court Meeting or they may appoint another person, whether a member of the Company or not, as their proxy to attend and vote in their place.

Voting at the Court Meeting will be by poll which shall be conducted as the Chair of the Court Meeting may determine. It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of the opinion of Scheme Shareholders. Scheme Shareholders are strongly urged to submit proxy appointments and instructions for the Court Meeting as soon as possible, using any of the methods (by post, online or electronically through ECSC) set out below. Doing so will not prevent you from attending, speaking and voting in person at the Court Meeting if you wish and are entitled to do so.

A BLUE Form of Proxy for use at the Court Meeting has been provided with this notice. Instructions for its use are set out on the form. It is requested that the BLUE Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to ECSC’s Registrars at Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by post, to be received not later than 11.30 a.m. on 22 May 2023 or, in the case of an adjournment of the Court Meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time and date set for the adjourned Court Meeting. However, if not so lodged, BLUE Forms of Proxy (together with any such authority, if applicable) may be handed to the Chair of the Court Meeting or to the

ECSC's Registrars, on behalf of the Chair of the Court Meeting, before the start of the Court Meeting and will be valid.

Scheme Shareholders entitled to attend and vote at the Court Meeting who hold their shares through ECSC may appoint a proxy using the ECSC proxy voting service. Proxies submitted using the ECSC Proxy Voting Service must be transmitted so as to be received by ECSC's Registrars (under CREST participant ID RA19) not later than 11.30 a.m. on 22 May 2023 (or, in the case of an adjournment of the Court Meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time and date set for the adjourned Court Meeting). For this purpose, the time of receipt will be taken to be the time from which ECSC's Registrars are able to retrieve the message by enquiry to ECSC.

As an alternative to completing and returning the printed BLUE Form of Proxy or appointing a proxy through ECSC, Scheme Shareholders entitled to attend and vote at the Court Meeting may appoint a proxy electronically by logging on to the following website: www.sharevote.co.uk by using the series of numbers printed under the heading Voting ID, Task ID and Shareholder Reference Number on the Proxy Form. Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on screen instructions. Full details and instructions on these electronic proxy facilities are given on the respective websites.

For an electronic proxy appointment to be valid, the appointment must be received by ECSC's Registrars no later than 11.30 a.m. on 22 May 2023 (or, in the case of an adjournment of the Court Meeting, not less than 48 hours (excluding any part of such 48-hour period falling on a non-working day) before the time and date set for the adjourned Court Meeting). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

If you have not appointed a proxy online or electronically by the time above, you may hand a BLUE Form of Proxy to the Chair of the Court Meeting or to ECSC's Registrars, on behalf of the Chair of the Court Meeting, before the start of the Court Meeting and it will be valid.

Completion and return of a Form of Proxy, or the appointment of a proxy via CREST or electronically (or any other procedure described in the document of which this notice forms part), will not prevent a Scheme Shareholder from attending, speaking and voting in person at the Court Meeting, or any adjournment thereof, if such Scheme Shareholder wishes and is entitled to do so.

Voting Record Time

Entitlement to attend and vote at the Court Meeting, or any adjournment thereof, and the number of votes which may be cast at the Court Meeting will be determined by reference to the register of members of the Company at 6.30 p.m. on 22 May 2023 (or, if the meeting is adjourned, 6.30 p.m. on the date which is two days before the date fixed for the adjourned Court Meeting (excluding any non-working day)). Changes to the register of members of the Company after such time will be disregarded in determining the rights of any person to attend and vote at the Court Meeting.

Joint Holders

In the case of joint holders of Scheme Shares, any one such joint holder may tender a vote, whether in person or by proxy, at the Court Meeting, however, the vote of the senior who tenders a vote whether in person or by proxy will be accepted to the exclusion of the votes of the other joint holder(s) and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

Corporate Representatives

As an alternative to appointing a proxy, any Scheme Shareholder which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its power as a member, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in

other cases the power is treated as not exercised.

By the said Order, the Court has appointed Ian Mann or, failing him any other director of the Company to act as Chair of the Court Meeting and has directed the Chair to report the result thereof to the Court.

The said Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 25 April 2023

Freeths LLP
One Vine Street
London W1J 0AH,
Solicitors for the Company

1. The statement of rights of Scheme Shareholders (as defined in the Scheme of Arrangement referred to above) in relation to the appointment of proxies described in this Notice of Court Meeting does not apply to nominated persons. Such rights can only be exercised by Scheme Shareholders.
2. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "**nominated person**") may, under an agreement between them and the member by whom they were nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting. If a nominated person has no such proxy appointment right or does not wish to exercise it, they may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

PART 10

NOTICE OF GENERAL MEETING

ECSC GROUP PLC

(registered in England and Wales with company number 03964848)
(the "Company")

NOTICE IS HEREBY GIVEN that a general meeting of the Company (in this Notice of General Meeting, the "General Meeting") will be held at the offices of Freeths LLP, One Vine Street, London, W1J 0AH on 24 May 2023, at 11.45 a.m. (or as soon thereafter as the Court Meeting (as defined in the document of which this Notice of General Meeting forms part) concludes or is adjourned) for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as a special resolution.

Unless the context requires otherwise, any capitalised term used but not defined in this Notice of General Meeting shall have the meaning given to such term in the document of which this Notice of General Meeting forms part.

SPECIAL RESOLUTION

THAT:

- (a) for the purpose of giving effect to the scheme of arrangement dated 25 April 2023 between ECSC Group plc and the holders of Scheme Shares (as defined in the said scheme), a print of which has been produced to this meeting and, for the purposes of identification, signed by the Chair thereof, in its original form or with or subject to such modification, addition or condition agreed by ECSC Group Plc and Daisy Corporate Services Trading Limited and approved or imposed by the Court (the "**Scheme**"), the directors of ECSC Group Plc (or a duly authorised committee thereof) be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect;
- (b) with effect from the passing of this resolution, the articles of association of ECSC Group Plc be and are hereby amended by the adoption and inclusion of the following new Article 118:

SCHEME OF ARRANGEMENT

118. Scheme of Arrangement

- 118.1. In this Article 118, the "Scheme" means the scheme of arrangement dated 25 April 2023 under Part 26 of the Companies Act 2006 between the Company and the Scheme Shareholders, in its original form or with or subject to any modification, addition or condition agreed by the Company and Daisy Corporate Services Trading Limited (the "**Purchaser**") and approved or imposed by the Court and (save as defined in this Article 118) expressions defined in the Scheme shall have the same meanings in this Article 118.
- 118.2. Notwithstanding any other provision of these Articles, if the Company issues any ECSC Shares or transfers any ECSC Shares out of treasury (other than to the Purchaser or its nominee(s)) on or after the adoption of this Article 118 and before the Scheme Record Time, such ECSC Shares shall be issued, transferred or registered subject to the terms of the Scheme (and shall be Scheme Shares for the purposes thereof) and the holders of such ECSC Shares shall be bound by the Scheme accordingly.
- 118.3. Notwithstanding any other provision of these Articles, subject to the Scheme becoming Effective, if any shares are issued, transferred out of treasury or transferred to any person (other than under the Scheme or to the Purchaser or its nominee(s)) (a "**New Member**") at or after the Scheme Record Time (each a "**Transfer Share**"), they will be issued or transferred on terms that they shall (on the Effective Date or, if later, on the issue or transfer (but subject to the terms of Article 118.4 below)) be immediately transferred to the Purchaser (or such person as it may direct), who shall be obliged to acquire each

Transfer Share in consideration for and conditional on the payment to the New Member by or on behalf of the Purchaser of an amount in cash for each Transfer Share equal to the consideration to which the New Member would have been entitled under the Scheme had such Transfer Share been a Scheme Share.

- 118.4. On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation), the value of the consideration per Transfer Share to be paid under Article 118.3 shall be adjusted by the Directors in such manner as the auditors of the Company or an investment bank selected by the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article 158 to shares or ECSC Shares shall, following such adjustment, be construed accordingly.
- 118.5. To give effect to any transfer required by Article 118.3, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Transfer Shares to the Purchaser and/or its nominee(s) and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Transfer Shares in the Purchaser or its nominee(s) and pending such vesting to exercise all such rights attaching to the Transfer Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Transfer Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form or instrument of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration of the Transfer Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Transfer Shares. The Purchaser shall send a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder), or by any alternative method communicated by the Purchaser to the New Member, for the purchase price of such Transfer Shares within 14 days after the time on which the Transfer Shares are issued or transferred to the New Member.
- 118.6. If the Scheme shall not have become Effective by the applicable date referred to in (or otherwise set in accordance with) clause 6.2 of the Scheme, this Article 118 shall cease to be of any effect.
- 118.7. Notwithstanding any other provision of these Articles, both the Company and the Board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to the Purchaser and/or its nominee(s) pursuant to the Scheme.”; and
- (c) subject to and condition on the Scheme being effective pursuant to section 97 of the Companies Act 2006, the Company shall be re-registered as a private limited company with the name ECSC Group Limited.

By order of the Board of ECSC Group PLC

David Mathewson
Company Secretary
25 April 2023

28 Campus Road, Listerhills Science Park, Bradford, West Yorkshire, BD7 1HR

Notes:

1. A member of the Company entitled to attend and vote at this meeting is entitled to appoint one or more proxies to attend, to speak and to vote in their place. If you wish to appoint more than one proxy, each proxy must be appointed to exercise the rights attached to a different share or shares held by you. If you wish to appoint a proxy, please use the WHITE form of proxy enclosed with this notice. In the case of joint shareholders, only one need sign the WHITE form of proxy. The vote of the senior joint shareholder will be accepted to the exclusion of the votes of the other joint shareholders. For this purpose, seniority will be determined by the order in which the names of the shareholders appear in the register of members in respect of the joint

shareholding. The completion and return of the WHITE form of proxy will not stop you from attending and voting in person at the General Meeting should you wish to do so and are so entitled. If you have appointed a proxy and attend the General Meeting and vote in person, your proxy appointment will automatically be terminated. A proxy need not be a shareholder of the Company.

2. To be valid, the WHITE form of proxy, together with any power of attorney or other authority under which it is signed, or a duly certified copy thereof, must be received at the offices of ECSC's Registrars at Equiniti Limited at Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA by post, not later than 48 hours before the time of the General Meeting or, as the case may be, the adjourned General Meeting (excluding any part of such 48-hour period falling on a non-working day).
3. Alternatively, you can submit your proxy electronically at www.sharevote.co.uk using the Voting ID, Task ID and Shareholder Reference Number on your Proxy Form. Alternatively, shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at www.shareview.co.uk by using their usual user ID and password. Once logged in, simply click 'view' on the 'My Investments' page, click on the link to vote and then follow the on screen instructions. Full details and instructions on these electronic proxy facilities are given on the respective websites. Electronic proxy appointments must be received not later than 11.45 a.m. on 22 May 2023 (or, in the case of an adjourned General Meeting, not less than 48 hours prior to the time and date set for such adjournment General Meeting (excluding any non-working days)). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.
4. The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that entitlement to attend and vote at the General Meeting or any adjournment thereof, and the number of votes which may be cast thereat, will be determined by reference to the register of members of the Company not less than 48 hours before the time of such meeting or adjourned meeting (excluding any non-working days). Changes to the register of members after 6.30 p.m. on 22 May 2023 or, if the General Meeting is adjourned, after 6.30 p.m. on the date two days prior to the date set for the adjourned General Meeting (excluding any non-working days), will be disregarded in determining the rights of any person to attend or vote at the General Meeting.
5. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
6. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent ID RA19 by 11.45 a.m. on 22 May 2023. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
7. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
8. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.
9. Unless otherwise indicated on the Form of Proxy, ECSC voting or any other electronic voting channel instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.
10. A corporation which is a ECSC Shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.
11. As at the Latest Practicable Date, the Company's issued share capital comprised 10,007,588 ordinary shares of one pence each carrying one vote each. Therefore, the total voting rights of the Company as at the Latest Practicable Date are 10,007,588.
12. Any member attending the General Meeting has a right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
13. Voting on the resolution at the General Meeting will be conducted by a poll rather than a show of hands.
14. A copy of this Notice of General Meeting, and other information required by section 311A of the Companies Act 2006, can be found at <https://investor.ecsc.co.uk>

