

**THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

*If you are in any doubt as to the contents of this document or what 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 resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.*

Seed Bidco Limited  
(registered number 72062)  
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St Peter Port  
Guernsey GY1 1WA

Gresham House plc  
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5 New Street Square  
London  
EC4A 3TW

**To: Individuals holding awards granted pursuant to the Gresham House plc Bonus Share Matching Plan ("BSM")**

*Please note that if you also hold awards or options granted under any other share incentive plan operated by Gresham House plc, you will receive a separate proposal letter in relation to such other awards/options.*

4 August 2023

Dear Participant

**Recommended Final<sup>1</sup> Cash Offer for Gresham House plc by Seed Bidco Limited (a company controlled by funds advised by Searchlight Capital Partners, L.P. and its affiliates)**

We are writing in connection with the award(s) to acquire shares (**Gresham House Shares**) in Gresham House plc (**Gresham House**) that were granted to you under the BSM (**Award(s)**).

This letter explains the impact on your Award(s) of the proposed acquisition of Gresham House by Seed Bidco Limited (**Bidco**) (a company controlled by funds advised by Searchlight Capital Partners, L.P. and its affiliates) (**Searchlight**).

This letter is being sent to you for your information only, as no action needs to be taken in relation to your Award(s).

Save where otherwise defined in this letter, capitalised terms and expressions used in this letter have the meanings given to them in the Scheme Document (as defined below).

**Background**

On 17 July 2023 (**Announcement Date**), the boards of directors of Gresham House and Bidco announced that they had reached an agreement on the terms of a recommended final<sup>2</sup> cash offer

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<sup>1</sup> The financial terms of the Acquisition are final and will not be increased, except that Bidco reserves the right to increase the Acquisition Price where: (i) there is an announcement of a possible offer or a firm intention to make an offer for Gresham House by any third party; or (ii) the Panel on Takeovers and Mergers otherwise provides its consent.

<sup>2</sup> The financial terms of the Acquisition are final and will not be increased, except that Bidco reserves the right to increase the Acquisition Price where: (i) there is an announcement of a possible offer or a firm intention to make an offer for Gresham House by any third party; or (ii) the Panel on Takeovers and Mergers otherwise provides its consent.

pursuant to which Bidco would acquire the entire issued and to be issued share capital of Gresham House (**Acquisition**).

It is intended that the Acquisition will be implemented by means of a Court-sanctioned scheme of arrangement of Gresham House under Part 26 of the Companies Act 2006 (**Scheme**) which requires the approval of Gresham House Shareholders and the sanction of the Court. The Scheme is a Court-approved process whereby, if Scheme Shareholders vote in favour of the Scheme, the Court sanctions the Scheme (**Court Sanction**) and the Court Order is delivered to the Registrar of Companies, the Scheme becomes Effective and the Acquisition will proceed, i.e. Gresham House will be acquired by Bidco. The Scheme only applies to Gresham House Shares which are on the shareholder register at a prescribed time (**Scheme Record Time**) shortly after Court Sanction and before the date on which the Scheme becomes Effective (**Effective Date**).

The Acquisition is subject to certain regulatory conditions, and therefore it is unclear at this time when the Court Hearing to sanction the Scheme will take place and when the Acquisition will become Effective. However, it is expected that the Acquisition will become Effective late 2023/early 2024 and, the latest date by which the Scheme may become Effective is 17 April 2024, unless Gresham House and Bidco agree, with the consent of the Panel on Takeovers and Mergers and (if required) the Court, a later date.

A copy of the document containing full details of the Scheme (**Scheme Document**) is available at <https://www.greshamhouse.com/ghe-plc-offer/>. A copy of this letter is also available at <https://www.greshamhouse.com/ghe-plc-offer/>. You should read this letter (including the Appendix) in conjunction with the Scheme Document.

### **Acquisition Price**

Under the terms of the Acquisition, which is subject to the satisfaction of the conditions and further terms set out in the Scheme Document, each Scheme Shareholder (i.e. a person holding Gresham House Shares at the Scheme Record Time) will, provided that the Scheme becomes Effective, receive:

**1,105 pence in cash for each Gresham House Share held ("Acquisition Price")**

You should note that, if any dividend and/or other distribution and/or other return of capital is declared, made or paid, or becomes payable in respect of Gresham House Shares on or after the Announcement Date and prior to the Effective Date, the Acquisition Price will automatically be reduced by an amount equal to the amount of such dividend and/or distribution and/or return of capital (other than as set out in the Scheme Document).

### **Effect of the Scheme on your Award(s)**

#### *All Awards*

If the Scheme becomes Effective, your subsisting Award(s) will vest automatically on the Effective Date. You do not have to do anything to acquire the Gresham House Shares which are subject to your Award(s); your Gresham House Shares will be delivered to you automatically following vesting, as described below.

You should note that your Award(s) will remain subject to the rules of the BSM, and in particular the provisions relating to cessation of employment, until it vests either on its terms or on the Effective Date.

If the Scheme is not sanctioned by the Court or does not become Effective, your Award(s) will continue to subsist on its terms, and will not vest as described in this letter other than in accordance with its terms.

#### *Awards granted in February 2021*

Subsisting Awards granted in February 2021 (in respect of the 2020 bonus year) would not ordinarily vest until February 2024 and the vesting of any "matching shares" is ordinarily subject to the achievement of the applicable performance conditions. However, in accordance with the provisions

of the BSM, these Awards will vest in full on the Effective Date, subject to the terms of the BSM and conditional on the Scheme becoming Effective.

Although this is not expected, it is possible that the Effective Date will take place after the Awards granted in February 2021 have vested in accordance with their terms. If this is the case, these Awards will vest on their vesting date in accordance with their terms, subject to the achievement of performance conditions as applicable.

#### *Awards granted in 2022 or 2023*

Subsisting Awards granted in 2022 and 2023 would not ordinarily vest until 2025 and 2026 respectively, and the vesting of any "matching shares" is ordinarily subject to the achievement of the applicable performance conditions. However, in accordance with the provisions of the BSM, these Awards will vest in full on the Effective Date, subject to the terms of the BSM and conditional on the Scheme becoming Effective.

### **Settlement Arrangements**

Following vesting of your Award(s) on the Effective Date, the trustee of the Gresham House plc Employee Benefit Trust (**Trustee**) will: (i) be issued new Gresham House Shares by Gresham House, and (ii) transfer the beneficial title in the Gresham House Shares to which you will have become entitled as a result of the vesting of your Award(s) to you, and retain the legal title to such Gresham House Shares on bare trust for you.

Any Gresham House Shares that you acquire on vesting of your Award(s) on the Effective Date will not be subject to the Scheme. However, pursuant to an amendment to be made to the Articles of Association of Gresham House (**Amended Articles**) as part of the Scheme, your Gresham House Shares will be automatically transferred to Bidco (or its nominee) for the same price per Gresham House Share that would have been paid pursuant to the Scheme. The consideration payable under the Amended Articles for such Gresham House Shares will be paid to Gresham House on your behalf and then paid to you via the Gresham House payroll after the deduction of any liability to income tax and employee's National Insurance contributions arising on the vesting of your Award(s). The proceeds which are due to you (**Proceeds**) will be paid to you on the next practicable payroll date following the date that Gresham House receives the consideration on your behalf.

### **Tax Treatment**

The Appendix to this letter sets out further details of the tax treatment of your Award(s).

### **What happens if the Court does not sanction the Scheme?**

In the event that the Court does not sanction the Scheme, or the Scheme does not become Effective, your Award(s) will not vest and will continue to subsist subject to the rules of the BSM.

### **What happens if I cease to hold employment with Gresham House?**

If you cease to be employed by Gresham House, your Award(s) (to the extent they comprise "matching shares") may lapse as set out in the BSM. The leaver provisions in the BSM rules will apply and you will be contacted separately if this is the case.

### **Next Steps**

As your Award(s) will vest automatically on the Effective Date (unless already vested or lapsed) and will automatically be acquired by Bidco or its nominee under the Amended Articles, there is no requirement for you to do anything.

This letter is purely for your information and the proposal is that you take no action in relation to your Award(s).

**Gresham House Directors' statement**

The Gresham House Directors consider the proposals set out in this letter to be fair and reasonable in the context of the Acquisition.

Yours faithfully

*Anthony Townsend*

Chair  
**Gresham House plc**

*Lily Oliveira*

Director  
**Seed Bidco Limited**

**Notes**

1. Unless the context otherwise requires or otherwise defined herein, words and expressions defined in the Scheme Document and the rules of the BSM shall have the same meanings in this letter.
2. The Gresham House Directors, whose names are set out in paragraph 2.1 of Part VI of the Scheme Document, accept responsibility for the information contained in this letter (including the Appendix hereto) (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to Note 3 below. To the best of the knowledge and belief of the Gresham House Directors (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this letter (including the Appendix) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
3. The Searchlight Responsible Persons (which includes all the Bidco Directors), whose names are set out in paragraph 2.2 of Part VI of the Scheme Document, accept responsibility for the information contained in this letter (including any expressions of opinion) relating to Bidco, the Wider Bidco Group, the Bidco Directors and the Searchlight Responsible Persons and their respective immediate families and the related trusts of, and persons connected with, the Bidco Directors and/or the Searchlight Responsible Persons, and the persons (other than the Gresham House Directors) deemed to be acting in concert (as such term is defined in the Code) with Bidco. To the best of the knowledge and belief of the Searchlight Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information (including any expressions of opinion) contained in this letter (including the Appendix) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
4. Any consideration for the sale of Gresham House Shares resulting from the vesting of your Award(s) other than on the Effective Date which you may become entitled to receive, will be despatched to you at your own risk by post to the address provided by you.
5. Your Award(s) are governed by the rules of the BSM, the award certificate in respect of the relevant Award and applicable legislation. If there is any inconsistency between those rules, the award certificate and the legislation and this letter, the rules of the BSM, the award certificate and the applicable legislation will prevail. Nothing in this letter or the Scheme Document serves to vary the rules of the BSM or the terms of your Award(s) or to extend the life of any Award(s) which has lapsed or may lapse under the rules of the BSM or its terms.
6. The information relating to taxation given in this document is given by way of guidance only.
7. The vesting of your Award(s) on the Effective Date is subject to the Scheme being sanctioned by the Court and the Scheme becoming Effective. If the Scheme is not sanctioned by the Court or does not become Effective, your Award(s) will not vest as a result of the Scheme and will continue to subsist on its terms.
8. The accidental omission to despatch this letter to, or any failure to receive the same by, any person to whom the proposal is made, or should be made, shall not invalidate the proposal in any way.
9. Receipt of documents will not be acknowledged. All documents sent by or to you will be sent at your own risk.
10. This letter shall be governed by and construed in accordance with English law. The courts of England and Wales shall have jurisdiction to settle any dispute which may arise out of, or in connection with, this letter.
11. A copy of this letter will be available to view (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions) on Bidco's website at [www.seed-offer.com](http://www.seed-offer.com) and Gresham House's website at <https://www.greshamhouse.com/qhe-plc-offer/>.

## Appendix

### UK Tax Treatment

**Summarised below are the generally applicable UK tax implications for holders of Award(s) who work, and are resident and domiciled for tax purposes, only in the UK. This summary is for guidance only and cannot be relied on as tax advice by any person and no liability is accepted by Gresham House in respect of this summary. The precise tax consequences for you will depend on your particular circumstances and, if you are in any doubt, you should consult an appropriate independent professional adviser. If you are resident, domiciled or work in a jurisdiction other than the UK, you should consult a suitably qualified professional adviser to determine your tax position.**

**The following assumes that you work and are tax resident in and only in the UK and have worked and been so resident from the date of grant of your Award(s) up to the date of vesting. The following is based on current legislation and published HM Revenue & Customs guidance.**

#### ***Will I have to pay income tax or NICs when my Award(s) vests?***

You will be liable to pay income tax and employee's National Insurance contributions when your Award(s) vests on the full value of the Gresham House Shares you receive on vesting of your Award(s).

Your employer will be responsible for accounting for these income tax and employee's National Insurance contribution liabilities to HM Revenue & Customs. In order to meet such liabilities, Gresham House and/or your employer (if different) will withhold an amount equal to such liabilities from your Proceeds.

#### ***Will there be any tax to pay when I sell the Gresham House Shares resulting from the vesting of my Award(s)?***

When your Gresham House Shares are acquired by Bidco pursuant to the Amended Articles, you will be treated as having disposed of your Gresham House Shares for capital gains tax (**CGT**) purposes.

You will only make a capital gain on the disposal of the Gresham House Shares to the extent that the Proceeds you receive for such shares exceed the market value of the Gresham House Shares at the time that such Award(s) vests. You should have no liability to pay CGT in relation to the disposal of such Gresham House Shares because the amount of the cash consideration per Gresham House Share payable under the terms of the Amended Articles is expected to be equal to the market value of the Gresham House Shares at vesting, so that no gain ought to arise.

**ANY PARTICIPANT WHO IS IN ANY DOUBT ABOUT THEIR TAX POSITION SHOULD  
CONSULT AN INDEPENDENT PROFESSIONAL ADVISER.**