

THIS LETTER AND THE ACCOMPANYING FORM OF INSTRUCTION ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Acquisition, the contents of this Letter or as to the action you should take, you are recommended to seek your own personal financial, tax and/or legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are in the United Kingdom. If you are in a territory outside of the United Kingdom you should immediately consult an appropriately authorised independent financial advisor.

Curtis Banks Group PLC

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Nucleus Clyde Acquisition Limited

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31 January 2023

To the holders of options under the Curtis Banks Group plc Long Term Incentive Plan 2017

Dear Participant

Recommended cash acquisition of Curtis Banks Group PLC (Curtis Banks) by Nucleus Clyde Acquisition Limited (Bidco): How it affects your LTIP Options

Introduction

On 6 January 2023, the board of directors of Bidco and Curtis Banks announced that they had reached agreement on the terms of a recommended cash acquisition by Bidco of the entire issued and to be issued ordinary share capital of Curtis Banks (the **Acquisition**).

This Letter tells you about the impact of the Acquisition on the options you hold under the Curtis Banks Group plc Long Term Incentive Plan 2017 (**LTIP**) and the decisions you are able to make. In this Letter a share option granted to you under the LTIP is referred to as an **Option**. The information in this Letter applies to any Options you hold.

Please read everything in this Letter, its appendices and the Form of Instruction carefully. **Their contents are very important.**

You will find a list of definitions in **Appendix A** which explain the key defined terms used in this Letter (any capitalised terms not included in Appendix A will have the meaning given to them in the Scheme Document).

The Acquisition

Under the terms of the Acquisition, which is subject to the conditions and further terms set out in the Scheme Document, Curtis Banks Shareholders will receive:

for each Curtis Banks Share they own:

350 pence in cash

You should note that the Scheme is subject to the approval of the Curtis Banks Shareholders, and is also subject to Court approval.

Your Options granted under the LTIP

You are receiving this Letter because you hold one or more Options granted under the LTIP. All Options which you hold which are not already exercisable on the Sanction Date will (in consequence of the Acquisition) vest and become exercisable on the Sanction Date to the extent determined by the Remuneration Committee by reference to the relevant performance conditions in accordance with the LTIP rules. This Letter sets out the alternatives open to you in relation to your Options, and the recommendation of the Curtis Banks Directors set out at paragraph 12 of the "Impact on your Options" section.

This Letter also sets out at paragraph 2 of the "Impact on your Options" section the proposal being made to you by Bidco in relation to your Options (the **Proposal**), and sets out the courses of action available to you. In broad terms, the Proposal is that you exercise your Options using the enclosed Form of Instruction with such exercise conditional upon but to take effect immediately upon the Scheme being sanctioned by the Court, and participate in the Acquisition in respect of any Curtis Banks Shares that you acquire on exercise.

If you wish to exercise your Options conditional on the Scheme being sanctioned by the Court and participate in the Acquisition in respect of the Curtis Banks Shares you acquire on exercise, please ensure your Form of Instruction is returned to ask@curtisbanks.co.uk by 5pm on 31 March 2023.

If you want to remind yourself of what Options you hold, please contact ask@curtisbanks.co.uk.

Please note that if you take no action your Options will lapse and cease to be exercisable one month after the Sanction Date, or earlier under the rules of the LTIP, and you will not receive any value for your Options.

You will need to take action to realise value from your Options as this will not happen automatically. If you do not take any action, your Options will lapse one month after the Sanction Date, unless they lapse earlier.

Questions

If you have any questions on the contents of this Letter or how to complete the enclosed Form of Instruction, please contact ask@curtisbanks.co.uk. However, please be aware that no legal, tax, financial or investment advice on the Acquisition or its effect on your Options can be provided by Curtis Banks or Bidco. **If you are in any doubt as to the action you should take, you should seek your own independent professional advice.**

Yours faithfully

David Barral
Executive Chairman

For and on behalf of:
Curtis Banks Group PLC

Michael Regan
Director

For and on behalf of:
Nucleus Clyde Acquisition Limited

IMPACT ON YOUR OPTIONS

1. When can I exercise my Options?

The Acquisition will change the usual treatment of your Options.

Normally, your Options would vest and become exercisable on, or as soon as practicable after, the third anniversary of the date of grant, and you would be able to exercise your Options at any time during the exercise period.

However, as a result of the Acquisition, your Options will vest early (if they have not already vested) and become exercisable on the Scheme being sanctioned by the Court at the Sanction Hearing, unless they lapse earlier in accordance with their terms. All Options under the LTIP are currently unvested. The extent to which your Options vest will be determined by the Remuneration Committee in accordance with the LTIP rules. The Remuneration Committee will determine the level of vesting by applying the relevant performance conditions applicable to your Options. You will be notified of the extent to which your unvested Options will vest in connection with the Acquisition after the Remuneration Committee has made its decision.

All Options will be exercisable until one month after the Sanction Date, or earlier under the rules of the LTIP, and will then lapse if they are not exercised.

2. How do I exercise my Options and participate in the Acquisition?

The Proposal is that you exercise all of the Options you hold to the maximum extent possible, conditional on the Scheme being sanctioned by the Court at the Sanction Hearing, and participate in the Acquisition in respect of the Curtis Banks Shares you acquire from exercising your Options.

If you wish to exercise your Options to the maximum extent possible and participate in the Acquisition in respect of the Curtis Banks Shares acquired on exercise of your Options, **you should complete, sign and submit the enclosed Form of Instruction. You must return your Form of Instruction to ask@curtisbanks.co.uk by no later than 5pm on 31 March 2023.** If you do so, the exercise of your Options will take effect immediately on the Scheme being sanctioned by the Court at the Sanction Hearing.

For each Curtis Banks Share sold pursuant to the Acquisition, you will be entitled to receive 350 pence in cash (the **Cash Consideration**).

3. If I submit my Form of Instruction, when will the consideration due for my Curtis Banks Shares be paid to me?

Payment of the Cash Consideration (following the deduction of any income tax and National Insurance contributions that Curtis Banks is required to withhold and the applicable exercise price – see paragraphs 4 and 5) will be made to you in the next practicable payroll following the Effective Date.

4. Do I need to pay anything upfront to exercise my Options?

No, you will not need to make any upfront payments to exercise your Options using the Form of Instruction as the aggregate exercise price payable will be deducted from the Cash Consideration due to you in respect of the Curtis Banks Shares that you acquire on exercise.

5. What tax will I have to pay if I exercise my Options?

Please see **Appendix B**, which sets out a brief summary of the UK tax consequences in relation to the exercise of your Options and the sale of any Curtis Banks Shares you acquire as a result. Before you decide what action you would like to take, you should consider your tax position. If you are in any doubt as to your tax position, you should seek your own independent professional tax advice immediately.

Any income tax and employee National Insurance contributions that Curtis Banks is required to withhold in connection with the exercise of your Options will be deducted from the Cash Consideration due to you.

6. Other courses of action

You do not have to exercise your Options using the enclosed Form of Instruction.

You may also exercise any Options which vest and become exercisable on the Sanction Date during the one month period following the Sanction Date by submitting a notice of exercise to Curtis Banks. However, please note that if you exercise your Options during this period you will receive identical consideration to that you would have received had you exercised using the enclosed Form of Instruction, due to an amendment to be made to the Curtis Banks Articles. However, such consideration will be paid to you later than if you had exercised your Options using the enclosed Form of Instruction and participated in the Acquisition.

If you do not exercise your Options within this one month period, all your Options will lapse automatically, unless they lapse earlier in accordance with their terms.

7. What happens if I leave employment with the Curtis Banks Group?

In order to be able to exercise your Options in accordance with the Proposal, you must be an employee within the Curtis Banks Group on the Sanction Date (except if you leave employment with the Curtis Banks Group, or if you have already left, in certain “good leaver” circumstances specified in the LTIP rules).

In summary, this means:

- if you do not qualify as a “good leaver” under the LTIP rules, any unvested Options that you hold will lapse on the date that your employment ceases; or
- if you qualify as a “good leaver” under the LTIP rules (for example, if you leave because of death, injury, disability, retirement, redundancy or any other reason at the discretion of the Remuneration Committee), your unvested Options will vest, subject to the satisfaction of the applicable performance conditions, on the date on which you leave employment. Your Options will be exercisable until the earlier of (i) six months from the date on which you leave and (ii) one month after the Sanction Date (unless they lapse earlier under the LTIP rules).

Please note: If you cease to be an employee within the Curtis Banks Group before the Sanction Date and you do not qualify as a “good leaver”, your Options will lapse on the date that your employment ceases even if you have previously submitted a Form of Instruction.

8. Can I give my Options to someone else?

No, under the rules of the LTIP, you cannot transfer your Options.

9. What happens if I do nothing?

If you do not submit the Form of Instruction or otherwise exercise your Options after they become exercisable, your Options will lapse following the expiry of the one month period after the Sanction Date, or earlier under the rules of the LTIP.

10. What if I am a PDMR or an insider?

If you are a Person Discharging Managerial Responsibilities (**PDMR**) or a restricted person under the Curtis Banks Share Dealing Code (the **Dealing Code**), or you have otherwise been told that the Dealing Code applies to you, you must obtain permission to exercise your Options under the Dealing Code before you submit an instruction and your instruction must be submitted as soon as possible and in any event within 24 hours of permission being granted. You can seek permission to deal by following the process set out in the Dealing Code.

It is recommended that, if you wish to exercise your Options conditional on the Scheme being sanctioned by the Court at the Sanction Hearing and you are a PDMR or a restricted person under the Dealing Code (or you will potentially become one), you seek permission to take such action as soon as possible.

11. What if I hold options under other share plans?

This Letter only relates to options you hold under the LTIP. If you hold options under other Curtis Banks share plans (such as the Sharesave or CSOP), you will receive a separate communication with details of the proposals being made in respect of such options. Please also read those letters carefully as the treatment under these plans may be different from the treatment of Options.

12. What is the view of the Curtis Banks Directors?

The Curtis Banks Directors, who have been so advised by Fenchurch Advisory Partners LLP and Peel Hunt LLP as to the financial terms of the Proposal, consider the terms of the Proposal set out in this Letter to be fair and reasonable in the context of the Acquisition. In providing their advice to the Curtis Banks Directors, Fenchurch Advisory Partners LLP and Peel Hunt LLP have taken into account the commercial assessments of the Curtis Banks Directors. Although both Fenchurch and Peel Hunt are acting as financial advisers to Curtis Banks, only Peel Hunt is acting as the independent financial adviser to Curtis Banks for the purpose of providing independent financial advice to the Curtis Banks Directors under Rules 3 and 15 of the Takeover Code.

The Curtis Banks Directors recommend that you exercise your Options. You should consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising your Options.

13. How do I accept the Proposal and exercise my Options?

You should consider the Proposal set out in paragraph 2 carefully, keeping in mind your financial position and the consequences of accepting the Proposal. If you are in any doubt you should seek your own independent financial advice.

If you wish to accept the Proposal you must complete, sign and submit the enclosed Form of Instruction and return it to ask@curtisbanks.co.uk by no later than 5pm on 31 March 2023.

If you take no action your Options will lapse on the expiry of the one month period after the Sanction Date, unless they lapse earlier under the LTIP rules.

14. Important notes

Nothing in this Letter, its appendices or the Form of Instruction constitutes financial advice to any holder of Curtis Banks Shares, share awards or share options in Curtis Banks. None of Curtis Banks, Bidco, nor any of their employees, directors or advisers can provide legal, tax, financial or investment advice on the Acquisition.

If you have received this letter electronically, you may request a hard copy of this letter, free of charge, by emailing ask@curtisbanks.co.uk. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

If there is a conflict between the information in this Letter, the Form of Instruction, and the LTIP rules or any relevant legislation, the LTIP rules and the legislation will prevail.

ACQUISITION SUMMARY

1. How does the Acquisition work?

The Acquisition will result in Curtis Banks and its subsidiaries becoming wholly-owned subsidiaries of Bidco.

The Acquisition will be carried out through what is called a "scheme of arrangement". This is a procedure that has to be first approved by Curtis Banks Shareholders at a shareholder meeting, to be held on 27 February 2023, and then requires final approval by the Court on a date referred to in this Letter as the "Sanction Date". This is not the date on which the Acquisition will be completed. The Acquisition is currently due to complete three business days after the Sanction Hearing when the Scheme becomes effective. If you want to read more about this, please go to the Curtis Banks website at <https://www.curtisbanks.co.uk/investors/pc-communications-library/> and on the Bidco website at <https://www.nucleusfinancialplatforms.com/our-recommended-acquisition-of-curtis-banks-group-plc> where you will find the Scheme Document that was sent to Curtis Banks Shareholders around the date of this Letter as well as a copy of this Letter.

2. What can Curtis Banks Shareholders receive under the Acquisition?

The terms of the Acquisition are set out in full in the Scheme Document. However, in summary (and subject to the terms of the Acquisition), for each Curtis Banks Share sold to Bidco through the Scheme, a Curtis Banks Shareholder will receive 350 pence in cash.

3. When will the Acquisition take place?

The date of the Sanction Hearing is still to be confirmed but it is expected to be in the second quarter of 2023 with the Effective Date expected to be three business days after the Sanction Hearing, subject to Curtis Banks Shareholder approval and receipt of the relevant regulatory and merger control approvals. An expected timeline of key events relating to the Acquisition is available in the Scheme Document.

Once the date of the Sanction Hearing is known, Curtis Banks will announce this via a Regulatory Information Service (with such announcement being made available on Curtis Banks' website at <https://www.curtisbanks.co.uk/investors/pc-communications-library/>).

4. Will the Acquisition definitely go ahead?

The Acquisition is conditional on various approvals and consents including: (i) approval by Curtis Banks Shareholders at a meeting to be held on 27 February 2023; (ii) obtaining certain regulatory and merger control approvals; and (iii) the sanction of the Court. You should note that there is no certainty that Curtis Banks Shareholders will approve the Acquisition and the Court will sanction the Scheme.

5. What if the Acquisition does not go ahead?

If the Court does not sanction the Scheme at the Sanction Hearing, your Options will continue as normal under the rules of the LTIP.

6. Can I opt out of the Scheme?

If you have exercised your Options using the enclosed Form of Instruction so that you are a Curtis Banks Shareholder by the Scheme Record Time, it is not possible to opt out of the Scheme.

Notes

- 1 The release, publication or distribution of this Letter and any accompanying documents (in whole or in part) in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this Letter 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. To the fullest extent permitted by law, Curtis Banks and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.
- 2 The Curtis Banks 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 any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 3 and 4 below. To the best of the knowledge and belief of the Curtis Banks Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 3 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, themselves and their respective close relatives, related trusts of and other connected persons and persons acting in concert (as such term is defined in the Takeover Code) with Bidco. To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 4 The Nucleus Responsible Persons, whose names are set out in paragraph 2.3 of Part VI of the Scheme Document, accept responsibility for the information contained in this Letter (including any expressions of opinion) relating to Bidco, Nucleus, the Nucleus Group, themselves and their respective close relatives, related trusts of and other connected persons and persons acting in concert (as such term is defined in the Takeover Code) with Bidco or Nucleus. To the best of the knowledge and belief of the Nucleus Responsible Persons (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 5 Fenchurch Advisory Partners LLP (**Fenchurch**), which is authorised and regulated by the Financial Conduct Authority, is acting exclusively for Curtis Banks and for no one else in connection with the matters referred to in this Letter. Fenchurch will not be responsible to anyone other than Curtis Banks for providing the protections afforded to clients of Fenchurch, nor for providing advice in relation to the contents of, or matters referred to in, this Letter. Neither Fenchurch 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 Fenchurch in connection with the matters referred to in this Letter, or otherwise.
- 6 Peel Hunt (**Peel Hunt**) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Curtis Banks and for no one else in connection with the matters referred to in this Letter. Peel Hunt will not be responsible to anyone other than Curtis Banks for providing the protections afforded to clients of Peel Hunt nor for providing

advice in relation to the contents of, or matters referred to in, this Letter. Neither Peel Hunt 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 Peel Hunt in connection with the matters referred to in this Letter, or otherwise.

- 7 Fenchurch and Peel Hunt have given and not withdrawn their written consent to the issue of this Letter with the inclusion of references to its name in the form and context in which they are included.
- 8 Accidental omission to dispatch this Letter or the Form of Instruction to, or any failure to receive the same by, any person to whom the Proposal in this Letter is made or should be made will not invalidate the Proposal in any way.
- 9 Your Options are governed by the LTIP and in the event of a conflict between this Letter and the rules of the LTIP or any relevant legislation, the rules of the LTIP or the legislation will prevail.
- 10 The statements contained in this Letter are not to be construed as legal, investment, financial or tax advice. If you are in any doubt as to the action you should take, you should seek your own independent professional advice.

Appendix A

Defined Terms

Bidco	Nucleus Clyde Acquisition Limited, a private limited company incorporated in England and Wales with registered number 14553187 and whose registered address is at Dunn's House, St Paul's Road, Salisbury, Wiltshire, SP2 7BF;
Bidco Directors	the persons whose names are set out in paragraph 2.2 of Part VI (Additional Information) of the Scheme Document or, where the context so requires, the directors of Bidco from time to time;
Cash Consideration	the cash amount of 350 pence payable by Bidco in respect of each Scheme Share, subject to any applicable adjustment in accordance with the terms of the Acquisition;
Court	the High Court of Justice in England and Wales;
Curtis Banks	Curtis Banks Group PLC, a public limited company incorporated in England and Wales with registered number 07934492 and whose registered office is at 3 Temple Quay, Temple Back East, Bristol, BS1 6DZ, United Kingdom;
Curtis Banks Articles	the articles of association of Curtis Banks as amended from time to time;
Curtis Banks Directors	the directors of Curtis Banks as at the date of this Letter;
Curtis Banks Shareholders	the holders of Curtis Banks Shares;
Curtis Banks Shares	the ordinary shares of 0.5 pence each in the capital of Curtis Banks;
Effective Date	the date upon which the Scheme becomes effective in accordance with its terms;
Form of Instruction	the form of instruction provided with the Letter;
Letter	this letter from Curtis Banks and Bidco explaining the impact of the Acquisition on the Options;
LTIP	the Curtis Banks Group plc Long Term Incentive Plan 2017;

Nucleus	Nucleus Financial Platforms Limited, a private limited company incorporated in England and Wales with registered number 06033126 and whose registered office is at Dunn's House, St Paul's Road, Salisbury, Wiltshire, SP2 7BF;
Nucleus Group	Nucleus and its group undertakings from time of time (excluding HPS Investment Partners, LLC, its subsidiary and associated undertakings, together with funds managed and/or advised by any of them);
Nucleus Responsible Persons	the persons whose names are set out in paragraph 2.3 of Part VI (Additional Information) of the Scheme Document;
Option	an option to acquire Curtis Banks Shares granted under the LTIP;
Remuneration Committee	the remuneration committee of the board of directors of Curtis Banks;
Sanction Date	the date of the Court Order;
Sanction Hearing	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act;
Scheme	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Curtis Banks and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court (where relevant) and agreed to by Curtis Banks and Bidco, as set out in Part IV (The Scheme of Arrangement) of the Scheme Document;
Scheme Document	the document dated on or around the date hereof sent by Curtis Banks to the Curtis Banks Shareholders, of which the Scheme forms part;
Scheme Record Time	6:00 p.m. on the Business Day immediately prior to the Effective Date or such later time as Bidco and Curtis Banks may agree; and
Takeover Code	the City Code on Takeovers and Mergers.

Appendix B

UK Taxation

The information in this Appendix B applies to Options granted under the LTIP. This information is intended as a general guide to the UK tax implications of exercising your Options and selling your Curtis Banks Shares to Bidco, and does not constitute tax advice to any individual participant. Please remember that tax law can and often does change, and you should not necessarily assume the current tax position will continue. As the tax rules for each country are different, the final amount of tax and National Insurance contributions you will have to pay depends on where you are resident for tax purposes. The below assumes you are working, resident and domiciled for tax purposes in the UK at all material times. This summary is not a full description of all the circumstances in which a tax liability may arise.

Please be aware that you are responsible for your personal tax position and that none of Curtis Banks, Bidco nor their employees, directors or advisors can provide you with tax advice. **If you are in any doubt as to your tax position or if you are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate professional adviser without delay.**

1 Income tax and National Insurance contributions (NICs)

You will be subject to income tax and employee NICs charges at the time your Options are exercised on the difference between the market value of the Curtis Banks Shares you acquire on the date you acquire them, and the exercise price you pay to acquire the Curtis Banks Shares. If you exercise your Options pursuant to the Proposal the income tax and employee NICs due will be deducted from the Cash Consideration payable to you from Bidco and remitted to HMRC.

2 Capital gains tax (CGT)

2.1 When your Curtis Banks Shares are acquired by Bidco at the offer price of 350 pence per Curtis Banks Share pursuant to the Scheme, you will be treated as having disposed of your Curtis Banks Shares for CGT purposes. You will make a capital gain on the disposal of the Curtis Banks Shares if and to the extent that the proceeds that you receive for the Curtis Banks Shares exceeds the base cost of those Curtis Banks Shares. The base cost will be the value of the Curtis Banks Shares on the date you acquire them. Therefore, if the base cost of the Curtis Banks Shares is 350 pence per Curtis Banks Share, there will be no CGT charge.

2.2 However, you should be aware that if you own other Curtis Banks Shares (other than the ones you acquire from exercising your Options under the LTIP) that are sold as part of the Acquisition there are complex CGT rules that may apply. You should take independent tax advice on these arrangements and report all applicable sales on your self-assessment tax return.