

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

If you are in any doubt about the Acquisition or the contents of this document or what action you should take, you are recommended to seek your own personal financial, tax and 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 or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

A copy of this letter is also available at the website of Walker Crips at [www.wcgplc.co.uk/recommendedoffer](http://www.wcgplc.co.uk/recommendedoffer).

**From:** Ebor Trustee Limited, as trustee of the Walker Crips Group plc Share Incentive Plan (the "Trustee") at Apollo House, Eboracum Way, York, England, YO31 7RE

**To:** the Participants ("Participants") in the Walker Crips Group plc Share Incentive Plan (the "SIP")

[16 December] 2025

Dear Participant

**Recommended cash acquisition of Walker Crips Group plc ("Walker Crips") by PhillipCapital UK Ltd ("PhillipCapital") – RESPONSE REQUIRED**

On 24 November 2025, the Independent Walker Crips Directors and the board of PhillipCapital announced that they had reached agreement on the terms of a recommended cash acquisition by PhillipCapital of the entire issued and to be issued share capital of Walker Crips (the "Acquisition").

More information on the terms of the Acquisition is set out in the Scheme Document which is available at: [www.wcgplc.co.uk/recommendedoffer](http://www.wcgplc.co.uk/recommendedoffer). Terms not otherwise defined in this letter are defined in the Scheme Document, and this letter should be read in conjunction with the Scheme Document and the appendix to this letter.

It is proposed that the Acquisition be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006, which requires the approval of Scheme Shareholders at the Court Meeting and of Walker Crips Shareholders at the General Meeting and the sanction of the Court (the "Scheme"). Upon the Scheme becoming Effective, Walker Crips will become a wholly owned subsidiary of PhillipCapital.

Under the terms of the Acquisition, which are subject to the full terms and conditions set out in the Scheme Document, Scheme Shareholders will be entitled to receive for each Walker Crips Share **14 pence in cash**.

The Acquisition is conditional on various approvals and consents including: (i) approval by the requisite majority of Independent Scheme Shareholders at the Court Meeting to be held on 15 January 2026; (ii) approval by the requisite majority of Walker Crips Shareholders of the Resolution(s) to be proposed at the General Meeting to be held on 15 January 2026; (iii) the satisfaction of certain other conditions to the Scheme; and (iv) the sanction of the Court.

**You should note that there is no certainty that the Independent Scheme Shareholders or the Walker Crips Shareholders will approve the Acquisition and/or that the Court will sanction the Scheme.**

## **Why are we writing to you?**

We are writing to you because you own shares ("**SIP Shares**") that are held for you in, and subject to the terms of, the Walker Crips Group plc Share Incentive Plan ("**SIP**"), and to explain to you what will happen to your SIP Shares if the Acquisition becomes Effective.

## **What action do I need to take?**

As a participant in the SIP you are entitled (via the Trustee) to vote at the Court Meeting and General Meeting. As the Trustee of the SIP, we are required to write to you and seek instructions as to whether you wish to vote to approve the Scheme or not. The Scheme relates to a cash offer to acquire the entire issued share capital of Walker Crips, including any Partnership Shares, Matching Shares and/or Dividend Shares that we hold on your behalf.

In accordance with the Letter from the Joint Chief Executive Officer of Walker Crips contained in the Scheme Document, the Independent Walker Crips Directors recommend that shareholders vote to approve the Scheme at the Court Meeting and that Walker Crips Shareholders vote in favour of the Resolution(s) at the General Meeting, as the Independent Walker Crips Directors have irrevocably undertaken to do (or procure to be done) in respect of their own holdings of Walker Crips Shares or those Walker Crips Shares over which they have control.

The Trustee will act on your instructions received in accordance with this letter and your instructions will be applied to all Partnership Shares, Matching Shares and/or Dividend Shares that are held on your behalf by the Trustee.

**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.**

**Please use the Client Portal to confirm how you wish for the Trustee to vote at both the Court Meeting and the General Meeting. Please respond to instruct us to approve or reject the Scheme, by responding using the voting options in the Client Portal. Please ensure that you respond by 6.30 p.m. on 9<sup>th</sup> January 2026 for your instructions to be complied with. Alternatively, you could confirm your vote by way of email to [wcg.ebor.sip@wcgplc.co.uk](mailto:wcg.ebor.sip@wcgplc.co.uk).**

If you choose to vote by email, please ensure that you confirm how you wish the Trustee to vote on your behalf at both the Court Meeting **AND** the General Meeting at the top of this by clearly stating in the email whether you wish to "approve" or "reject" the proposed Acquisition at the Court Meeting **AND** whether you wish to "approve", "reject" or "abstain" in relation to the proposed Acquisition at the General Meeting.

If you do not vote via the Client Portal or via email as prescribed, the Trustee will not be able to take any action in relation to your SIP Shares and your vote will not be counted in either the Court Meeting or the General Meeting. If the Scheme is not approved, your SIP Shares will not be sold as the Acquisition will not become Effective.

## **What will happen if the Acquisition becomes Effective?**

If the Acquisition becomes Effective, your SIP Shares will be acquired by PhillipCapital (without any further action from you) and you will be entitled to receive **14 pence in cash** for each SIP Share that is held for you in the SIP.

Any consideration due to you will be payable in accordance with the terms of the Scheme.

#### **What about tax?**

A general summary of the UK tax treatment of your SIP Shares is contained in the Appendix to this letter. If you are in any doubt as to your tax position, you should seek your own independent, professional tax advice immediately.

#### **What will happen to my salary deductions which are held by the Trustee and then used to purchase Partnership Shares?**

Deductions have continued to be taken from your salary and these deductions have been used to purchase Partnership Shares in the normal way.

You will therefore receive a corresponding award of Matching Shares, and if dividend is declared a corresponding number of Dividend Shares, will be purchased for you, using such dividends, to become SIP Shares together with your Partnership and Matching Shares.

These newly acquired Partnership Shares, Matching Shares and Dividend Shares will be treated as part of your overall holding of SIP Shares.

If a deduction is made from your salary but the deduction cannot be used to purchase Partnership Shares due to the timing of the Acquisition, or for any other reason, the deductions will be repaid to you.

#### **What will happen if the Acquisition does not become Effective?**

If this happens, your SIP Shares will not be acquired by PhillipCapital and will continue to be held for you in and subject to the terms of the SIP.

#### **Further information**

If you have any queries about the contents of this letter or the Acquisition that do not require the giving of financial, tax or investment advice, you should contact Sean Lam at [sean.lam@wcpplc.co.uk](mailto:sean.lam@wcpplc.co.uk).

Yours faithfully

**Sean Lam, acting in his capacity as director of Ebor Trustee Limited,  
as Trustee of the Walker Crips Group plc Share Incentive Plan**

## Appendix – UK Tax Summary

***The tax summary below sets out the general UK tax implications for participants in the SIP. The summary assumes you work and are tax resident (and domiciled) in and only in the UK and have worked and been so resident (and domiciled) from the date of your awards up to the date of the Acquisition.***

***The summary is based on current legislation and published HMRC guidance. It is provided for your guidance only and cannot and should not be relied on as tax advice by any person. The precise tax consequences for you will depend on your personal circumstances.***

**If you are in any doubt as to the tax treatment of your SIP Shares, you should consult an appropriate independent professional tax adviser as soon as possible.**

***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.***

**Will I have to pay income tax or National Insurance contributions ("NICs") when my SIP Shares are acquired by PhillipCapital pursuant to the Acquisition?**

If your SIP Shares are acquired by PhillipCapital pursuant to the Acquisition then, if those SIP Shares have not been withdrawn from the SIP before the Effective Date (i.e. the date that PhillipCapital acquires the entire share capital of Walker Crips pursuant to the Scheme):

- no income tax or NICs liability will arise for you on the transfer; and
- no capital gains tax will be due from you on the disposal of your SIP Shares to PhillipCapital.

Please note that this summary of the income tax and NICs treatment applies to SIP Shares if:

- i. they have already been awarded to you under the SIP; or
- ii. they are subsequently awarded to you under the SIP, and it is reasonable to assume that such award would have taken place even if the Acquisition was not under consideration.

The transfer of any SIP Shares in connection with the Acquisition which does not satisfy these requirements will likely crystallise an income tax and NICs liability for you.

**Will my regular purchase of Partnership Shares, Matching Shares and Dividend Shares benefit from this tax relief?**

The arrangements to buy Partnership Shares, be awarded Matching Shares, and to buy Dividend Shares were in place before the acquisition was under consideration and therefore should have the same tax treatment as your other SIP Shares.

**What happens if I withdraw my SIP Shares prior to the Acquisition?**

If you withdraw your SIP Shares from the SIP prior to the Effective Date, you will be exposed to potential income tax, NICs and capital gains tax liabilities, depending on how long you have held your SIP Shares.

- If you withdraw your Partnership Shares within the Holding Period (as defined in the SIP Rules) that applies to the Matching Shares awarded in conjunction with those Partnership Shares

(other than on cessation of employment for one of the specified reasons set out at the end of this note) you will lose the Matching Shares.

- If you withdraw your Partnership Shares and Dividend Shares within three years of you acquiring the Partnership Shares and Dividend Shares, you will be subject to income tax and NICs (via PAYE) on the total market value of the Partnership Shares at the time of the withdrawal or on the amount of the original dividend used to acquire the Dividend Shares, respectively. The market value is expected to be 14p per share.
- If you withdraw your Partnership Shares and any Matching Shares after three years but within five years, other than on cessation of employment for one of the specified reasons, you will be subject to income tax and NICs (via PAYE) on the total market value of the Partnership Shares and Matching Shares at the time those shares were awarded to you, or, if lower, the market value at the time of withdrawal, which is likely to be 14p per share. Dividend Shares will not be subject to income tax and NICs if withdrawn after three years but you may be subject to capital gains tax, at the time of the Acquisition, based on the total sale proceeds of the SIP Shares (14p per share) less the value of those shares when they were withdrawn from the SIP. Partnership Shares and any Matching Shares may be subject to capital gains tax on any growth in value in the Partnership Shares and any Matching Shares from the date of withdrawal and the completion of the Acquisition.
- If you withdraw your Partnership Shares and any Matching Shares or Dividend Shares after five years, you will not be subject to income tax and NICs. You may, however, be subject to capital gains tax, at the time of the Acquisition, based on the total sale proceeds of the SIP Shares (14p per share) less the value of those shares when they were withdrawn from the SIP. If any gain did arise you may be entitled to the annual capital gains tax exemption (currently £3,000) or other reliefs depending on your personal tax status. You should seek independent professional tax advice and would likely need to submit a personal self-assessment tax return for the tax year 2025-2026 by 31 January 2027.

The specified reasons on cessation of employment are set out in your original Partnership Share Agreement and are:

- injury or disability
- redundancy
- transfer of employment to which the Transfer of Undertaking (Protection of Employment) Regulations 1981 apply
- change of control or other circumstances ending the Associated Company status of the employer company
- retirement
- death