

This letter is important. Please read it carefully.

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.

5 April 2023



The Hyve Group Deferred Share Bonus Plan (“DSBP”) and the recommended cash acquisition of Hyve Group plc by Heron UK Bidco Limited

Dear Colleague,

As you know, the boards of Hyve Group plc (“**Hyve**”) and Heron UK Bidco Limited (“**Bidco**”) announced on 15 March 2023 that they had reached agreement on the terms of a recommended cash offer for the entire issued and to be issued share capital of Hyve by Bidco (the “**Acquisition**”).

Bidco is a newly established limited company formed by Providence Equity Partners L.L.C. and its affiliates (“**Providence**”) for the purposes of the Acquisition.

Terms defined in the Scheme Document will have the same meaning in this letter unless it says otherwise.

Why are we writing to you?

We are writing to explain how the Acquisition will affect the outstanding DSBP awards you hold under the DSBP (“**DSBP Awards**”).

Please read everything in this letter carefully. **Its contents are very important.**

If you participate in other Hyve share plans you will receive links to separate letters about the effect of the Acquisition on your other options or awards under those plans. Please also read those letters carefully.

The Acquisition

The Acquisition will result in Hyve becoming wholly owned by Bidco.

The Acquisition is intended to take place through what is called a “scheme of arrangement” (the “**Scheme**”). This is a procedure that is subject to approval by Hyve Shareholders and the Court. In particular, as part of the Acquisition, the Court is expected to sanction the Scheme on a date referred to throughout this letter as “**Court Sanction**”. This date is not the date on which the Acquisition will be completed. The Acquisition is currently expected to complete a few days after Court Sanction on the “**Effective Date**”.

Further information about the Scheme is set out in the Scheme Document dated 5 April 2023 which has been sent to Hyve Shareholders. This letter should be read together with the Scheme Document. Copies of the Scheme Document and this letter are also available on the Hyve website at: [Hyve Group | Hyve Group Investors](#) and on the Bidco website at: [Offer for HYVE Group PLC | Providence Equity \(provequity.com\)](#).

If you already hold Hyve Shares, for example as a result of the previous vesting of a DSBP Award, you should have received a copy of the Scheme Document in your capacity as a Hyve Shareholder. This letter does not address the steps you can take in relation to the Hyve Shares you may already hold, and you should refer to the Scheme Document for a full description of your voting rights in respect of any such Hyve Shares.

What are the terms of the Acquisition?

The terms of the Acquisition are set out in full in the Scheme Document. However, in summary, Hyve Shareholders will be entitled to receive **£1.08 in cash** for each Hyve Share they own at the Scheme Record Time.

When is the Acquisition likely to take place?

The Acquisition should take effect shortly after the date of the Court Sanction which is currently expected to be on or around 17 May 2023. Shareholder approval of the Acquisition is expected to be obtained on 3 May 2023.

How will the Acquisition affect my DSBP Awards?

Normally, your DSBP Awards would vest on the vesting date notified to you at the time of grant. On vesting, the Hyve Shares under the DSBP Awards would be transferred to you.

However, as a result of the Acquisition, your DSBP Awards will vest early on the date of the Court Sanction. Your Hyve Shares will then be automatically acquired by Bidco for £1.08 in cash for each Hyve Share under the Scheme.

What do I need to do?

You do not need to do anything as your DSBP Award will vest automatically on the date of the Court Sanction. Your Hyve Shares will then be acquired automatically by Bidco under the Scheme.

When will I receive payment for my Hyve Shares?

Any consideration due to you in respect of your Hyve Shares that Bidco will acquire under the Scheme will be paid to you via payroll (less any income tax and social security contributions that Hyve is required to withhold and applicable fees). You should receive your consideration (less any income tax, social security contributions and applicable fees) in the first payroll run which falls after a period of 14 days from the Effective Date.

Can I opt out of the Scheme and retain my DSBP Awards or my Hyve Shares?

No. If Court Sanction and the Effective Date occur, your DSBP Awards will vest automatically and the Hyve Shares that you receive will be automatically acquired by Bidco under the Scheme.

What if I leave my employment with the Hyve Group?

The leaver provisions under rule 2 of Part B of the DSBP Plan will apply in the normal way if you leave Hyve before your DSBP Awards vest.

What are the tax implications?

A summary of the tax position for UK taxpayers is set out in the Appendix to this letter. Please note that the Appendix does not constitute tax advice.

To the extent that any income tax, social security contributions or applicable fees are due on the vesting of your DSBP Award, such costs will be deducted and withheld from the consideration due to you under the Scheme.

What if I have questions?

If you have any questions that relate to your DSBP Awards, please contact shareplans@hyve.group. If you are in any doubt as to the effect the Acquisition will have on your personal tax position or as to the action you should take, you are strongly recommended to seek your own independent financial and/or tax advice.

Important notes

The Directors of Hyve, who have been so advised by Goldman Sachs International and Numis Securities Limited, as to the financial terms of the proposals in this letter, consider the terms of the proposals set out in this letter for DSBP participants to be fair and reasonable in the context of the Acquisition. In providing their advice to the Directors of Hyve, Goldman Sachs International and Numis Securities Limited have taken into account the commercial assessments of the Directors of Hyve. Goldman Sachs International and Numis Securities Limited are providing independent financial advice to the Directors of Hyve for the purposes of Rules 3 and 15(b) of the City Code on Takeovers and Mergers.

Nothing in this letter constitutes financial advice to any holder of Hyve Shares or DSBP Awards.

You may request a hard copy of this letter, free of charge, by emailing shareplans@hyve.group and including your name, and the address to which the hard copy should be sent. You may also request that all future letters, 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 and Appendix and the Scheme Document, the DSBP rules or any relevant legislation, the DSBP rules or the legislation (as applicable) will apply.

Yours faithfully



Company Secretary

For and on behalf of
Hyve Group Plc

Yours faithfully



Director

For and on behalf of
Heron UK Bidco Limited

APPENDIX

UK Tax Summary

This tax summary applies to the holders of DSBP Awards working, resident and domiciled in the UK for tax purposes at all relevant times. It is intended as a guide only. The precise tax consequences for you will depend on your particular circumstances. Please be aware that you are responsible for your personal tax position and that neither Hyve nor Bidco (nor any of their respective officers, employees or advisers) can provide you with tax advice. If you are in any doubt as to your tax position, or if you are subject to tax in another jurisdiction, you should seek your own advice from a professional adviser without delay.

Income tax and National Insurance contributions

Upon the vesting of your DSBP Awards, income tax at your marginal rate will arise. The taxable amount will be the market value of the Hyve Shares you receive. For these purposes, market value is likely to be an amount equal to the consideration under the Acquisition of £1.08 per share.

An employee's National Insurance contribution ("NICs") charge will also arise on the taxable amount above. NICs is generally charged at approximately 2%.

Note that both income tax and NICs will be deducted automatically by payroll from the cash consideration due to you under the Scheme.

Capital gains tax

It is unlikely that you will have any capital gains tax ("CGT") to pay on the subsequent disposal of your Hyve Shares to Bidco under the Scheme. This is because the CGT base cost of the Hyve Shares you acquire on vesting is likely to be deemed to be the same as the amount on which you have paid income tax and NICs.

Please note that special rules on calculating CGT gains apply where you hold other Hyve Shares, whether or not acquired under the Hyve share plans, or you buy and sell portions of Hyve Shares at different times.

If you have to pay any CGT, you will have to pay it through self-assessment. It will not be deducted for you through payroll. This means that you will have to complete a self-assessment tax return (in hard copy or online).

Note also that you will only have to pay CGT to the extent that your gains from the disposal of any Hyve Shares and any other chargeable gains you make in that tax year exceed your personal CGT allowance for the tax year in which the disposal takes place (which is £6,000 for the 2023/24 tax year). You may also be able to reduce your CGT liability by using losses or claiming reliefs.

Accounting for Tax under Self-Assessment

Under the self-assessment regime, taxpayers are required to provide HMRC with all the information needed to calculate their taxable income (from all sources) and any chargeable gains. The time limit for filing a return on-line and paying your CGT (if any) is 31 January after the end of the tax year in which the chargeable gain arises. For example, if you sell your Hyve Shares in the 2023/2024 tax year (i.e. between 6 April 2023 and 5 April 2024) the deadline is 31 January 2025.

Notes

The distribution of this letter (in whole or in part) 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 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 possible, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Goldman Sachs International, which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for Hyve and no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Hyve for providing the protections afforded to clients of Goldman Sachs International, or for providing advice in connection with the matters referred to in this document.

Goldman Sachs International has given and not withdrawn its 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.

Numis Securities Limited ("**Numis**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Hyve and no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Hyve for providing the protections afforded to clients of Numis nor for providing advice in relation to any matter referred to herein. Neither Numis nor any of its affiliates (nor any of their respective directors, officers, employees or agents), 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 Numis in connection with this document, any statement contained herein or otherwise.

Numis has given and not withdrawn its 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.

Neither this letter nor any accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities in any jurisdiction pursuant to the Acquisition (a) in which such offer or invitation is not authorised, (b) in which the person making such offer or invitation is not qualified to do so, or (c) in which, or to any person to whom, it is unlawful to make such offer or invitation or where the making of such offer or invitation would impose any unfulfilled registration, qualification, publication or approval requirements on Hyve, Bidco or any of their respective directors, officers, agents, affiliates and advisers. No action has been taken nor will be taken in any jurisdiction by any such person that would permit a public offering of any securities in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this letter other than in any jurisdiction where action for that purpose is required. Neither Hyve nor Bidco nor their respective directors, officers, agents, affiliates or advisers accept any responsibility for any violation of any of these restrictions by any other person.

The Hyve Directors, whose names are set out in paragraph 2.1 of Part VII of the Scheme Document, accept responsibility for the information contained in this letter (including any expressions of opinion), other than information for which responsibility is taken by the Bidco

Director and the Providence Responsible Persons. To the best knowledge and belief of the Hyve Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this letter (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bidco Director and the Providence Responsible Persons, whose names are set out in paragraphs 2.2 and 2.3 of Part VII of the Scheme Document, accept responsibility for the information contained in this letter (including any expressions of opinion) relating to Bidco and Providence and themselves and their respective immediate families, related trusts and other connected persons and persons acting in concert with Bidco and Providence. To the best of the knowledge and belief of the Bidco Director and the Providence Responsible Persons (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this letter (including any expressions of opinion) for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.