



This letter is important and requires your immediate attention. This document should not be forwarded or transmitted, in whole or in part, in or into any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of that jurisdiction.

To: Employee of ScS Group plc and its group companies

29 November 2023

Dear ScS employee,

Announcement regarding the recommended cash offer for ScS Group plc – Publication of the Scheme Document

On 24 October 2023, ScS Group plc (“**ScS**”) and Cerezola Limited (a special purpose vehicle wholly owned by Poltronosofà S.p.A.) (the “**Bidder**”) announced that they had reached agreement on the terms of a recommended cash acquisition under Rule 2.7 of the City Code on Takeovers and Mergers (the “**Code**”) pursuant to which the Bidder would acquire the entire issued and to be issued ordinary share capital of ScS (the “**Offer**”). The Offer is being implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the “**Scheme**”).

As the latest step in the process, we have today published what is referred to as the ‘Scheme Document’ for the acquisition. This is a technical document that sets out further details on the proposed transaction. Should you wish to access it, the Scheme Document, this letter and certain other information, documents and announcements relating to the Offer is available on our website at <https://www.scsplc.co.uk/investors/offer-for-scs-group-plc/> and will remain available on the website during the course of the Offer period.

This letter is not a summary of the Scheme Document and should not be regarded as a substitute for reading the Scheme Document in full.

The Scheme Document sets out the terms of the Offer, including certain information on the Offeror’s intentions for the business and employees, the strategic plans for the future of ScS and the likely impact of those plans on employment.

It is possible that there will be incoming enquiries from members of the media regarding the Offer or the Company’s response to it over the next few days. Under the rules that apply to the Company during the Offer period, it is critical that no one from ScS provides any comment on incoming enquiries. Please direct any calls, emails or approaches from journalists, customers or other members of the public about the Offer or the Company’s response to it to either Richard Oldworth, Toto Berger or Verity Parker of Buchanan Communications Limited by telephoning +44 (0)20 7466 5000 or by e-mail to scs@buchanan.uk.com.

Yours faithfully,

Steve Carson
Chief Executive Officer



IMPORTANT NOTICES

The Directors of ScS accept responsibility for the information contained in this letter and, to the best of their knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the import of the information.

This letter is being sent in accordance with Rule 25.1 of the Code.

This letter is for information purposes only. It does not constitute an offer or form part of any offer or an invitation to purchase, subscribe for, sell or issue any securities or a solicitation of any offer to purchase, subscribe for, sell or issue any securities pursuant to this letter or otherwise in any jurisdiction in which such offer or solicitation is unlawful (a "Restricted Jurisdiction"). The distribution of this letter in jurisdictions outside the United Kingdom may be restricted by law and therefore persons into whose possession this letter comes should inform themselves about, and observe such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities law of any such jurisdiction.

Queries regarding administrative matters

Should you wish to contact the Company regarding administrative matters in view of the Scheme Document or questions in regards to this letter, please contact the Company's registrars, Equiniti Limited, at +44 (0) 371 384 2426. Lines are open 8.30am to 5.30pm Monday to Friday (excluding public holidays in England and Wales).

Information sharing

Please be aware that addresses, electronic addresses and certain other information provided by you for the receipt of communications from the Company may be provided to the Bidder during the offer period as required under Section 4 of Appendix 4 of the Code.

Right to request hard copies

You may request a copy of this letter, the Scheme Document and any information incorporated into it by reference to another source in hard copy form by contacting ScS' registrars, Equiniti Limited on +44 (0)371 384 2050 or by submitting a request in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing West Sussex BN99 6DA. Lines are open from 8.30 a.m. to 5.30 p.m. (London time) Monday to Friday (except English and Welsh public holidays). Calls are charged at the standard geographical rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate.

Please note that Equiniti Limited cannot provide advice on the merits of the proposed offer or the Scheme nor give any financial, investment, legal or tax advice.

A hard copy of this letter and the Scheme Document will not be sent to you unless you so request it. You may also request that all future documents, announcements and information sent to you in relation to the Offer should be sent to you in hard copy form, again by writing to the address set out above or by calling the telephone number above.

Directors' responsibility statement

The directors of the Company (the "Directors") accept responsibility for the information contained in this letter relating to the Company. To the best of the knowledge and belief of the 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) is in accordance with the facts and does not omit anything likely to affect the impact of such information.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in one 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) of the Code 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 one 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), except to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Code 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 of the Code.

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).



Sofas
Flooring
Furniture

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 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.