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If you have sold or otherwise transferred all of your shares in Kingswood Holdings Limited, subject to the restrictions on distribution described below and in the enclosed announcement, please send this letter and its enclosure as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Strictly Private and Confidential

12 March 2025

To Kingswood Holdings Limited ("**Kingswood**" or the "**Company**") shareholders and persons with information rights

Statement regarding Possible Offer for Kingswood Holdings Limited

Dear Shareholder

In accordance with Rule 2.11(a) of the City Code on Takeovers and Mergers (the "**Code**"), we attach a copy of the announcement released by the Company on 12 March 2025 (the "**Announcement**") that it is in advanced discussions with HSQ Investments Limited ("**HSQ**") regarding a possible cash offer by HSQ for the entire issued and to be issued share capital of the Company not already owned by them at a price of 7 pence per share (the "**Possible Offer**"). This letter is not to be taken as a summary of the information in the Announcement and should not be regarded as a substitute for reading the Announcement in full. The Announcement also includes a summary of the provisions of Rule 8 of the Code.

Although the Announcement has put the Company into what is known as an "offer period" under the Code, there can be no certainty that an offer will be made for Kingswood.

We will make further announcements when appropriate.

Responsibility

The Company's directors accept responsibility for the information (including any expressions of opinion) contained in this letter. To the best of the knowledge and belief of the Company's directors (who have 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 such information.

Addresses may be provided to HSQ

Please note that addresses, electronic addresses and certain other information provided by you for the receipt of communications from Kingswood (e.g. elections to receive communications in a particular form) may be provided to HSQ during the offer period as required under Section 4 of Appendix 4 of the Code.


This letter and the enclosed Announcement will be available, subject to certain restrictions relating to persons resident in restricted jurisdictions, on the Possible Offer microsite on the Company's website

Kingswood, Kingswood Group and Kingswood Institutional are trading names of KW Wealth Planning Limited (Companies House Number: 01265376) regulated by the Financial Conduct Authority (Firm Reference Number: 114694) and KW Investment Management Limited (Companies House Number: 06931664) regulated by the Financial Conduct Authority (Firm Reference Number: 506600) with a registered office at 10-11 Austin Friars London EC2N 2HE. KW Investment Management Limited is also regulated in South Africa by the Financial Sector Conduct Authority (Firm Reference Number: 46775). Both companies are wholly owned subsidiaries of Kingswood Holdings Limited which is incorporated in Guernsey (registered number: 42316) and has its registered office at Mont Crevett House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH.

at <https://www.kingswood-group.com> by no later than 12 noon (London time) on the business day following the date of this letter. For the avoidance of doubt, the content of the website referred to in this letter is not incorporated into and does not form part of this letter. All other information, documents and announcements relating to the Possible Offer will remain available during the course of the offer period on the Company's website at the address provided above.

If you have any queries in relation to this letter, you should contact myself, Peter Coleman, at [REDACTED] without delay. However, please note that neither I nor the Company will be able to provide you with any legal, financial, tax planning or investment advice.

Yours faithfully



Peter Coleman

Chief Executive Officer

Kingswood Holdings Limited

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% 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) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (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 1% 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), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (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.

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).

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

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Takeover 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.

