

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the contents of this document and what action you should take, you are recommended to seek your own personal financial, legal and tax advice immediately from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended), if you are resident in the United Kingdom, or, if resident elsewhere, another appropriately authorised independent financial adviser in the relevant jurisdiction.

Kingswood Shareholders should read the whole of this document (including all information incorporated into this document by reference to another source). In addition, this document should be read in conjunction with the accompanying personalised Form of Acceptance.

If you sell or otherwise transfer or have sold or otherwise transferred all of your Kingswood Shares (other than to HSQ pursuant to the Offer), please forward this document with the accompanying documentation (other than any documents or forms personalised to you) immediately to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. However, this document and any accompanying document must not be forwarded, distributed or transmitted in, into or from any Restricted Jurisdiction.

If you sell or otherwise transfer or have sold or otherwise transferred only part of your registered holding of Kingswood Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise been transferred Kingswood Shares in certificated form, notwithstanding receipt of this document from the transferor, you should contact the Receiving Agent. If calling from within the United Kingdom, you should contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales).

If you have any questions about this document or the accompanying Form of Acceptance, or are in any doubt as to how to complete the Form of Acceptance (if you hold Kingswood Shares in certificated form) or as to how to make an Electronic Acceptance (if you hold Kingswood Shares in uncertificated form), or wish to obtain an additional personalised Form of Acceptance, please contact the Receiving Agent. If calling from within the United Kingdom, you should contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that the Receiving Agent cannot provide any financial, legal or tax advice and that calls may be recorded and monitored for security and training purposes.

Neither this document nor any of the 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 or the solicitation of any vote or approval, in any jurisdiction in which such offer, invitation or solicitation is unlawful. The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document and/or any accompanying document comes should inform themselves about, and observe, any applicable restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws and regulations of any such jurisdiction. In particular, this document should not be released, published, distributed, forwarded or transmitted, in whole or in part, in, into or from any Restricted Jurisdiction.

UNCONDITIONAL CASH OFFER
for
KINGSWOOD HOLDINGS LIMITED
by
HSQ INVESTMENT LIMITED

Your attention is drawn to the letter from the Chairman of Kingswood which contains the unanimous recommendation of the Independent Kingswood Directors that you accept or procure the acceptance of the Offer and which is set out in Part II (Letter from the Chairman of Kingswood Holdings Limited) of this document.

The procedure for acceptance of the Offer is set out in paragraph 15 of Part I (Letter from HSQ Investment Limited) of this document and in respect of Kingswood Shares held in certificated form, in the Form of Acceptance. To accept

the Offer in respect of Kingswood Shares held in certificated form, you must complete and return the accompanying Form of Acceptance as soon as possible and, in any event, so as to be received by the Receiving Agent by no later than 1.00 p.m. (London time) on the Closing Date in accordance with paragraph 15 of Part I (Letter from HSQ Investment Limited) of this document. Acceptances in respect of Kingswood Shares held in uncertificated form should be made electronically through CREST so that the TTE instruction settles by no later than 1.00 p.m. (London time) on the Closing Date in accordance with paragraph 15 of Part I (Letter from HSQ Investment Limited). If you are a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE instruction to Euroclear. Please refer to the Expected Timetable of Principal Events on page 9 for the dates and times of key events (including payment dates) relating to the Offer.

The Offer will close no earlier than 15 April 2025. Kingswood Shareholders are encouraged to ACCEPT the Offer as soon as possible. As the Offer is unconditional from the outset, an accepting Kingswood Shareholder will not be entitled to withdraw an acceptance of the Offer.

Definitions used in this document are as defined in Part VI (*Definitions*) of this document unless defined elsewhere herein or the context requires otherwise. Kingswood Shareholders may request hard copy forms of these documents.

Cavendish Capital Markets Limited (“Cavendish”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Kingswood and for no one else in connection with the subject matter of this document and will not be responsible to anyone other than Kingswood for providing the protections afforded to clients of Cavendish or for providing advice in relation to the contents of this document or any matters referred to in this document.

Panmure Liberum Limited (“Panmure Liberum”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for HSQ and for no one else in connection with the subject matter of this document and will not be responsible to anyone other than HSQ for providing the protections afforded to clients of HSQ or for providing advice in relation to the contents of this document or any matters referred to in this document.

In providing the cash confirmation required under Rule 2.7(d) of the Code, Panmure Liberum is satisfied that HSQ is not a client of such significance to Panmure Liberum or its affiliates as to impair the independence of the cash confirmation. Panmure Liberum considers HSQ to be an incidental customer for the purposes of the Takeover Code.

Panmure Liberum and Cavendish have each given and not withdrawn their consent to the publication of this document with the inclusion herein of the references to their names in the form and context in which they appear.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by Kingswood, the Independent Kingswood Directors, HSQ, the HSQ Directors or by Cavendish and Panmure Liberum or any other person involved in the Offer. The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them and publication of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date.

IMPORTANT NOTICES

The contents of this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document, you should consult your own legal adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

Overseas jurisdictions

Unless otherwise determined by HSQ or required by the Takeover Code and permitted by applicable law and regulation, the availability of the Offer and the release and/or distribution of this document in or into jurisdictions other than the United Kingdom or Guernsey may be restricted by the laws and regulations of those jurisdictions and therefore persons who are not resident in the United Kingdom or Guernsey into whose possession this document 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. Copies of this document and the personalised Form of Acceptance relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction, and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such Restricted Jurisdictions as doing so may violate the securities laws of such jurisdictions and invalidate any purported acceptance of the Offer. Unless otherwise permitted by applicable law and regulation, the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

This document has been prepared in compliance with English law and regulation (including the Takeover Code) and Guernsey law, and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of jurisdictions outside England or Guernsey.

This document is not an offer of securities for sale in the United States, Canada, Australia, or Japan or in any other jurisdiction in which such an offer is unlawful.

Neither the Securities and Exchange Commission in the United States nor any state securities commission in the United States has reviewed, approved, or disapproved this document or any of the proposals contained in this document.

Forward-Looking Statements

This document (including information incorporated by reference into this document), statements made regarding the Offer, and other information to be published by HSQ and Kingswood, contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and not based on historical facts, but rather on current expectations and projections of the management of HSQ and Kingswood about future events and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this document include statements with respect to the financial condition, results of operations and business of Kingswood and certain plans and objectives of HSQ with respect thereto and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the fact that they do not relate only to historical or current facts and may use words such as “anticipate”, “target”, “expect”, “estimate”, “forecast”, “intend”, “plan”, “budget”, “scheduled”, “goal”, “believe”, “hope”, “aims”, “continue”, “will”, “may”, “should”, “would”, “could” or other words of similar meaning. These statements are based on assumptions and assessments made by Kingswood and/or HSQ in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. By their nature, forward-looking statements involve known and unknown risk and uncertainty and other factors which may cause actual

results, performance or developments to differ materially from those expressed in or implied by such, because they relate to events and depend on circumstances that will occur in the future. Although HSQ and/or Kingswood believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither HSQ nor Kingswood assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

No Profit Forecasts or Estimates

No statement in this document is intended, or is to be construed, as a profit forecast, profit estimate or quantified financial benefits statement for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Kingswood for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Kingswood.

Disclosure Requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover 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 p.m. (London time) on the tenth business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the tenth 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 Takeover 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 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.

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 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.

Information Relating to Kingswood Shareholders

Please be aware that addresses, electronic addresses and certain information provided by Kingswood Shareholders, persons with information rights and other relevant persons for the receipt of communications from Kingswood may be provided to HSQ during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Publication on website and availability of hard copies

In accordance with Rule 26.1 of the Takeover Code, a copy of this document and a sample Form of Acceptance will be available free of charge (subject to any applicable restrictions with respect to persons resident in Restricted Jurisdictions) on HSQ's and Kingswood's website (<https://arena.pollencap.com> and <https://www.kingswood-group.com> respectively) by no later than 12.00 noon (London time) on 26 March 2025.

Neither the contents of these websites, nor the content of any other website accessible from hyperlinks on such websites, is incorporated into, or forms part of, this document.

In accordance with Rule 30.3 of the Takeover Code, Kingswood Shareholders and persons with information rights may request a hard copy of this document, free of charge, by contacting the Receiving Agent. If calling from within the United Kingdom, you should contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. You may also request that all future documents, announcements and information to be sent to you in relation to the Offer be in hard copy form.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Date of publication

This document is dated 25 March 2025.

WHERE TO FIND HELP

You will find answers to some of the questions most often asked by shareholders about takeover offers and the procedure for accepting the Offer in Part I (*Letter from HSQ Investment Limited*) of this document.

If you have further questions on the Offer more generally, you should contact the Receiving Agent. As the Offer is unconditional from the outset, an accepting Kingswood Shareholder will not be entitled to withdraw an acceptance of the Offer.

If calling from within the United Kingdom, you should contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent will only be able to provide information contained in this document and cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. You are reminded that if you are a CREST Sponsored Member, you should contact your CREST Sponsor before taking any action.

ACTION TO BE TAKEN

If Kingswood Shareholders wish to accept the Offer, it is important that they follow the instructions contained in this document and, if their Kingswood Shares are held in certificated form, the Form of Acceptance.

If Kingswood Shareholders have not received all of these documents, please contact the Receiving Agent on the relevant telephone number set out in the paragraph under the section headed “Shareholder Helpline” below.

If you hold your Kingswood Shares in certificated form (that is, not in CREST), you should complete the accompanying personalised Form of Acceptance in accordance with the instructions printed thereon and in paragraph 15 of Part I (*Letter from HSQ Investment Limited*) of this document. You may also obtain additional Forms of Acceptance by contacting the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. The completed Form of Acceptance, together with your share certificate(s) and/or other document(s) of title, should be returned as soon as possible by post using, if posted in the United Kingdom, the enclosed reply-paid envelope to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL so as to arrive no later than 1.00 p.m. (London time) on 15 April 2025. If you are posting in the United Kingdom, the enclosed reply-paid envelope has been provided for your convenience. It is recommended to allow four Business Days for delivery. Any Form of Acceptance received electronically will be rejected as an invalid acceptance of the Offer.

The latest time for the Receiving Agent to receive your Form of Acceptance will be 1.00 p.m. (London time) on the Closing Date. You should allow sufficient time for posting for your Form of Acceptance to be received. It is recommended to allow four Business Days for delivery.

If you hold your Kingswood Shares in uncertificated form (that is, in CREST), you should follow the procedures set out in paragraph 15 of Part I (*Letter from HSQ Investment Limited*) of this document and ensure that an Electronic Acceptance is made by you or on your behalf and that settlement is made no later than 1.00 p.m. (London time) on the Closing Date. If you hold your Kingswood Shares as a CREST sponsored member, you should refer to your CREST sponsor as only your CREST sponsor will be able to send the necessary TTE instruction to Euroclear.

The latest time for receipt of an Electronic Acceptance through CREST (applicable only for Kingswood Shareholders who hold their Kingswood Shares in uncertificated form) will be 1.00 p.m. (London time) on the Closing Date.

The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days’ notice prior to the specified closing date (which cannot be less than 21 days after the posting of this Offer Document). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ’s website at: <https://arena.pollencap.com> and on Kingswood’s website at <https://www.kingswood-group.com/>.

Further details about how to submit your Form of Acceptance and how to make your Electronic Acceptance are set out in Part B and Part C, respectively, of Part III (Further terms of the Offer and Acceptances) of this document.

Holdings of Kingswood Shares in certificated or uncertificated form will be treated as separate holdings for the purpose of calculating entitlements and you are required to accept in relation to each holding separately.

This section should be read in conjunction with the rest of this document and, in the case of Kingswood Shares held in certificated form, the Form of Acceptance. Kingswood Shareholders are recommended to seek

financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA if they are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

Settlement

Kingswood Shareholders who accept the Offer early, i.e. on or prior to 1 pm on 15 April 2025, will receive the consideration payable to them under the Offer earlier (i.e. by 29 April 2025). Kingswood Shareholders who accept the Offer after 1 pm on 15 April 2025 and until the Offer remains open for acceptances will only receive the consideration payable to them under the Offer within 14 calendar days of receipt of such acceptance.

Shareholder Helpline

If you have any questions about this document or the accompanying documents, or are in any doubt as to how to complete the Form of Acceptance (if you hold Kingswood Shares in certificated form) or as to how to make an Electronic Acceptance (if you hold Kingswood Shares in uncertificated form), or wish to obtain an additional Form of Acceptance, please contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times below are indicative only and are based on current expectations and may be subject to change.

If any of the dates and/or times in this expected timetable change, notice of the revised dates and/or times will be given to Kingswood Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com>. Further updates and changes to these times will be notified in the same way.

Unless otherwise stated, all times referred to in this document and timetable below are London times.

EVENT	TIME AND/OR DATE
Announcement of the Offer	18 March 2025
Publication and posting of this document and the personalised Form of Acceptance	25 March 2025
Day 21**	15 April 2025
Last day of trading in the Kingswood Shares on AIM	16 April 2025
Cancellation of admission to trading of the Kingswood Shares on AIM	17 April 2025
Latest date for the settlement of consideration to Kingswood Shareholders who accepted the Offer on or prior to 1.00 p.m. (London time) on 15 April 2025 (being the 21st day following the date on which this document was published)	29 April 2025
Latest date for the settlement of consideration to Kingswood Shareholders who accept the Offer after 1.00 p.m. (London time) on 15 April 2025 and on or prior to 1.00 p.m. on the Closing Date	14 calendar days of such receipt
Day 60	24 May 2025

** The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days' notice prior to the specified closing date (which cannot be earlier than 15 April 2025). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com/>.

PART I

LETTER FROM HSQ INVESTMENT LIMITED

25 March 2025

To the Shareholders of Kingswood Holdings Limited and, for information only, to holders of awards and options under the Kingswood share plans and persons with information rights.

Dear Shareholder,

UNCONDITIONAL CASH OFFER FOR KINGSWOOD HOLDINGS LIMITED

1. Introduction

On 18 March 2025, the board of directors of HSQ and the Independent Kingswood Directors announced in the Rule 2.7 Announcement that they had reached agreement on the terms of an unconditional cash offer pursuant to which HSQ would acquire the entire issued and to be issued ordinary share capital of Kingswood not already owned by HSQ at a price of 7 pence per ordinary share. This document sets out the full terms and conditions of the Offer and provides information on how you can accept the Offer.

This document and, if you hold Kingswood Shares in certificated form, the accompanying personalised Form of Acceptance, contain the formal Offer (including its terms and conditions) for your Kingswood Shares. Acceptances of the Offer should be received as soon as possible and, in any event, by no later than 1.00 p.m. (London time) on the Closing Date.

Your attention is drawn to the Letter from the Chairman of Kingswood set out in Part II (Letter from the Chairman of Kingswood Holdings Limited) of this document. That letter contains, amongst other things, the background to and reasons for the unanimous recommendation of the Independent Kingswood Directors.

The Independent Kingswood Directors who hold Kingswood Shares have irrevocably undertaken to HSQ to accept, or procure acceptance of, the Offer in respect of in aggregate 737,750 Kingswood Shares (representing, in aggregate approximately 0.11% of the Kingswood Shares as at the Last Practicable Date).

Your attention is also drawn, in particular, to the further terms of the Offer set out in Part III (*Further terms of the Offer and Acceptances*) to this document and the information relating to HSQ and Kingswood in paragraphs 6 and 7 of this letter, respectively.

2. Summary of the Offer

Under the terms of the Offer, Kingswood Shareholders will be entitled to receive:

7 pence in cash for each Kingswood Share held

The Offer values the entire issued share capital of Kingswood at approximately £48.03m on a fully diluted basis. Having regard to the financial profile of the Group, and HSQ's intentions for the Group described in paragraph 5 below, HSQ considers that the Offer provides Kingswood Shareholders with the opportunity to realise their investment in Kingswood for cash in a scenario where HSQ believes there is limited prospect of any future liquidity for the Kingswood Shares.

Other terms of the Offer

The Offer is subject to valid acceptances being received from Kingswood Shareholders but is not subject to any minimum level of acceptance and is unconditional from the outset. No regulatory approvals are required in respect of the making or the acceptance of the Offer. Should the Offer achieve acceptances and/or acquisitions amounting to 90% or more in value of the Kingswood Shares subject to the Offer (excluding Kingswood Shares which are Excluded Shares), HSQ will invoke its statutory rights under part XVIII of the Companies Law to compulsorily acquire any remaining Kingswood Shares not tendered under the Offer,

which, if invoked, would enable it to secure 100% ownership of Kingswood. The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days' notice prior to the specified date (which cannot be earlier than 21 days after the posting of this Offer Document). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com/>.

If, on or after the date of this Offer, any dividend and/or other distribution and/or return of capital is declared, made or paid, or becomes payable in respect of the Kingswood Shares, the cash consideration payable under the terms of the Offer for the Kingswood Shares shall be reduced by an amount equal to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this document to the cash consideration payable under the terms of the Offer will be deemed to be a reference to the cash consideration as so reduced. In such circumstances, the relevant Kingswood Shareholder will be entitled to receive and retain such dividend and/or other distribution and/or return of capital. Any revision of the Offer price referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Offer.

Kingswood Shares will be acquired by HSQ pursuant to the Offer fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them as at completion of the Offer, including the right to receive and retain all dividends and distributions (if any) declared, made or paid following the Offer closing.

3. HSQ's views as to the considerations as to whether or not to accept the Offer

In considering the Offer, HSQ believes that Kingswood Shareholders should consider the financial position of the Group as detailed in paragraph 7 below and the proposed future strategy for Kingswood as detailed in paragraph 5 below. Further, HSQ believes that Kingswood Shareholders should balance their desire for an immediate cash realisation now with:

- the current level of liquidity in Kingswood's shares and their current ability to realise their holdings in the Group;
- the current level of indebtedness of Kingswood, which was approximately £73.2m as at 31 December 2024; and
- the Kingswood Shares no longer being able to trade on AIM once the De-Listing (as described in paragraph 4 below) occurs and the consequent impact on future marketability.

If Kingswood Shareholders are in any doubt as to what action they should take, they should seek their own independent professional advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended, if they are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

4. Delisting of Kingswood

On 18 March 2025, Kingswood made an application to the London Stock Exchange for the cancellation of admission of the Kingswood Shares to trading on AIM (the "De-Listing Application"). Since the Kingswood Shares held by HSQ already represent approximately 89.38% of the Kingswood Shares at the Last Practicable Date (i.e. not less than 75% of the voting rights attached to the Kingswood Shares), the De-Listing will not be subject to any minimum level of acceptance. It is anticipated that the De-Listing will take effect no earlier than 7.00 a.m. on 17 April 2025.

Such cancellation of admission to trading on AIM of the Kingswood Shares shall significantly reduce the liquidity and marketability of any Kingswood Shares that are not assented to the Offer at that time and their value may be affected as a consequence. Any remaining Kingswood Shareholders (unless their Kingswood Shares are subsequently acquired by HSQ) would become minority shareholders in a majority-controlled Guernsey unlisted company and may therefore be unable to sell their Kingswood Shares. There can be no

certainty that Kingswood would pay any further dividends or other distributions or that such minority Kingswood Shareholders would again be offered an opportunity to sell their Kingswood Shares on terms which are equivalent to or no less advantageous than those under the Offer, or at all.

Please see paragraph 14 for further information on the proposed delisting process for Kingswood and the principal effects of De-Listing.

Your attention is drawn to Part II (*Letter from the Chairman of Kingswood Holdings Limited*) of this document which includes the unanimous recommendation of the Independent Kingswood Directors and the reasons for their recommendation.

5. Intentions for Kingswood's Business, Directors, Management, Employees, Pensions, and Locations

Intentions for business

HSQ initially invested in Kingswood in September 2019, providing up to £80m of growth equity capital to the business to pursue Kingswood's strategy of creating the leading UK advice led wealth management consolidator. Since the HSQ investment in 2019, the management team has completed 19 acquisitions, funded utilising the HSQ growth equity capital and financial debt provided by a large asset manager. The business is now positioned as a vertically integrated platform of scale in the UK, and as at 30 June 2024, Group assets under advice and management ("AUA&M") were approximately £12.9bn.

Over the last 12 months, in order to satisfy the working capital obligations of Kingswood (including to meet deferred payment obligations relating to historic acquisitions completed by Kingswood and debt interest payments). HSQ, or affiliates of HSQ, have provided Kingswood with additional loans, amounting to in aggregate £25.8m. As at 31 December 2024, the unaudited gross debt in Kingswood from its senior debt facility, outstanding leases and the loans provided by HSQ and/or Pollen Street amounted to, in aggregate, £91.6m. Having regard to the trading of the business, HSQ believes that this level of indebtedness is too great for the Group. Therefore, to ensure the long term success for Kingswood, its employees and clients, following the completion of the Offer pursuant to which the Kingswood Shareholders will have had the opportunity to realise their investment in Kingswood, HSQ intends to pursue a sale of the UK and Ireland operations, and has agreed in the MOU that they will use all reasonable endeavours to arrange for a sale of such business as soon as reasonably practicable. Although no offer has been received, HSQ and Pollen Street intend to consider a merger of Kingswood's UK and Ireland business with another wealth management company that is an existing portfolio company of funds managed and advised by Pollen Street. HSQ believes that this has the prospect of delivering the long-term capital investment that the UK and Ireland operations requires which would provide all advisers and clients within these businesses an exciting opportunity for growth.

If such a sale were pursued and completed, the sale proceeds would first be applied to satisfying the Group's existing third-party debt facility, the various additional debt instruments that have been provided by Pollen Street and/or HSQ and satisfaction of the contingent liability under the Make Whole Instrument, as detailed further in paragraph 11 of Part A of Part V (Additional Information) of this document. Given the circumstances described in paragraph 4 above, there could be no guarantee of any value attributable to the Kingswood Shares.

The investment that the Group has in Kingswood US, LLC will continue to focus on organic growth over the next twelve months with no material change to its business model being considered.

The statements contained in this section do not constitute post-offer undertakings under Rule 19.5 of the Takeover Code.

Intentions for directors, management and employees

The independent non-executive directors intend to resign from the Board on the cancellation of admission of the Kingswood Shares to trading on AIM.

HSQ recognises that Kingswood is a people business, and it is important to offer long term security and certainty to all stakeholders. As at the date of this document, no firm decisions have been made by HSQ with respect to any specific actions which may be taken in relation to Kingswood's management or employees.

As at the date of this document, HSQ does not intend to make any material change to the conditions of employment or in the balance of the skills and functions of the employees and management. If a sale of the UK and Ireland business is sold as a separate division, it is expected that a review of certain central functions of Kingswood would be undertaken, which may result in rationalisation within certain of the central functions.

As at the date of this document, HSQ does not intend to make any changes to the continued employment of the directors or employees of Kingswood US, LLC.

Intentions for pensions

As at the date of this document, HSQ does not intend to make any changes to the contributions rate, the accrual of benefits for existing members or the rules applicable to the admission of new members that currently applies to Kingswood's defined contribution pension plans. Pension rights of employees and former employees of the UK and Ireland businesses will be protected in accordance with applicable laws.

Intentions for locations of business

As at the date of this document, HSQ does not intend to make any changes to the location of Kingswood's headquarters or the functions carried out at Kingswood's headquarters, however, if there is a sale of the UK and Ireland business this may change, as referred to above.

Intentions for fixed assets

As at the date of this document, HSQ does not intend to make any changes to Kingswood's fixed assets, and there is no intention to redeploy any of the fixed assets to another location.

Intentions for research and development

As at the date of this document, Kingswood has no expenditure on research and development, which HSQ does not intend to change.

Intentions for the existing trading facilities for the relevant securities of Kingswood

Following the publication of the Rule 2.7 Announcement, Kingswood made an application to the London Stock Exchange for the cancellation of admission of the Kingswood Shares to trading on AIM, as detailed further in paragraph 14 below.

In Part II (*Letter from the Chairman of Kingswood Holdings Limited*) of this document, the Independent Kingswood Directors have given due consideration to HSQ's intentions for Kingswood as set out above.

6. Information on HSQ

HSQ is a wholly owned indirect subsidiary of funds managed and/or advised by Pollen Street Capital Limited ("Pollen Street"). Pollen Street is a global, independent alternative asset investment management company focused on the financial and business services sectors. It was established in 2013 and now has over £5 billion gross AUM across private equity and credit strategies.

On 13 March 2025, HSQ acquired all of KPI's shares in Kingswood and as a result HSQ now owns 89.38% of Kingswood's issued share capital.

7. Information on Kingswood

Kingswood is a non-cellular company limited by shares that is incorporated in Guernsey with company number 42316. Kingswood is an international, fully integrated wealth and investment management group. It is a trusted provider of wealth planning and investment management solutions to clients, underpinned by investment in people and innovation in technology that supports its advisers and clients.

Kingswood offers a range of investment solutions to its clients included investment advice and management, the management of personal and company pensions and wealth planning. Kingswood has a network of 22 offices across the UK as well as overseas offices in the USA, Ireland and South Africa.

In the accounts for the year ended 31 December 2023, published in June 2024, Kingswood reported Group revenue of £86.2m split as follows:

- UK & Ireland revenues of £46.6m; and
- US revenues (Kingswood has a 50.1% interest in Kingswood US, LLC which accordingly is fully consolidated into Group reporting) of £39.6m.

For the year ended 31 December 2023, the Group reported a loss before tax of £13.3m.

For the six months ended 30 June 2024, announced on 30 September 2024, the Group reported revenue of £40.6m split as follows:

- UK & Ireland revenues of £23.4m; and
- US revenues of £17.2m.

For the six months to 30 June 2024 the Group reported operating profit of £6.1m and a statutory loss before tax of £5.9m.

No Significant Change and Ratings of HSQ

There has been no significant change in the financial or trading position of HSQ since its incorporation, other than in connection with its investment in the Company, the Offer and the financing arrangements described in paragraph 12 of this document. HSQ has not been assigned any credit rating by any rating agency.

8. The Kingswood Directors

The names of the Kingswood Directors and the details of their interests in Kingswood Shares are set out in paragraphs 2 and 5 of Part A of Part V (*Additional Information*) of this document.

At the close of business on the Last Practicable Date the Kingswood Directors were interested in, in total, 737,750 Kingswood Shares, amounting to 0.11% of the issued share capital of Kingswood.

The Kingswood Directors do not hold awards and/or options over any Kingswood Shares.

Particulars of the service contracts and the letters of appointment of the Kingswood Directors are set out in paragraph 8 of Part A of Part V (*Additional Information*) of this document. It is intended that the independent non-executive directors resign from the Board on the date of cancellation of admission of the Kingswood Shares to trading on AIM.

9. Irrevocable Undertakings and Letters of Intent

HSQ has received irrevocable undertakings from the following Independent Kingswood Directors: David Hudd and Jonathan Freeman in respect of, in aggregate, 737,750 Kingswood Shares (representing, in aggregate, approximately 0.11% of the Kingswood Shares as at the Last Practicable Date).

In addition to the irrevocable undertakings given by the Directors listed above, HSQ has also received irrevocable undertakings from Gary Wilder and Jonathan Massing in respect of 1,115,001 and 350,000 Kingswood Shares respectively (representing, in aggregate, approximately 0.21% of the Kingswood Shares as at the Last Practicable Date).

HSQ has therefore received indications of support to accept, or to procure the acceptance of, the Offer in respect of a total of 2,202,751 Kingswood Shares, representing, in aggregate, approximately 0.32% of the Kingswood Shares as at the Last Practicable Date. Together with the Kingswood Shares already held by HSQ, this represents approximately 89.71% of the Kingswood Shares as at the Last Practicable Date.

Further details of these irrevocable undertakings are set out in paragraph 7 of Part A of Part V (*Additional Information*) of this document.

10. Offer Related Arrangements

For details of the offer-related arrangements, see paragraph 11 of Part A of Part V (*Additional Information*) of this document.

11. Kingswood Share Plans

Kingswood operates the Kingswood share plans to reward and retain its employees. Participants in the Kingswood share plans will be contacted regarding the effect of the Offer on their rights under the Kingswood share plans in separate letters to be sent via email.

12. Financing of the Offer

The cash consideration necessary to satisfy the Offer in full will be funded from HSQ's existing cash resources. Panmure Liberum, in undertaking the cash confirmation exercise for HSQ, confirms that it is satisfied that sufficient resources are available to HSQ to enable it to satisfy the full cash consideration payable under the terms of the Offer.

13. Terms of the Offer

The Offer is unconditional from the outset and is not subject to any minimum level of acceptance. Acceptances under the Offer are final and binding with no rights of withdrawal save as otherwise agreed in writing between HSQ and any particular Kingswood Shareholder or as otherwise permitted by HSQ (either generally or for any particular Kingswood Shareholder).

The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days' notice prior to the specified closing date (which cannot be earlier than 21 days after the posting of this Offer Document). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com/>. The Offer will be open for acceptance until 1.00 p.m. (London time) on the Closing Date.

14. Delisting and Squeeze-out

If HSQ receives acceptances under the Offer in respect of, and/or otherwise acquires, 90% or more in value of the Kingswood Shares to which the Offer relates, HSQ intends to exercise its rights pursuant to the provisions of part XVIII of the Companies Law to acquire compulsorily any Kingswood Shares not acquired or agreed to be acquired by or on behalf of HSQ pursuant to the Offer or otherwise on the same terms as the Offer.

On 18 March 2025, Kingswood made an application to the London Stock Exchange for the cancellation of admission of the Kingswood Shares to trading on AIM (the "De-Listing Application"). Since the Kingswood Shares held by HSQ already represent approximately 89.38% of the Kingswood Shares at the Last Practicable Date (i.e. not less than 75% of the voting rights attached to the Kingswood Shares), the De-Listing Application will not be subject to any minimum level of acceptance and is unconditional from the outset. It is anticipated that the De-Listing will take effect no earlier than 7.00 a.m. on 17 April 2025.

The principal effects of De-Listing will be that:

- As HSQ is not proposing that there will be any matched bargain facility, there will not be a formal market mechanism enabling the Kingswood Shareholders to trade Kingswood Shares;
- while the Kingswood Shares will remain freely transferrable (subject to the provisions of the Articles and the Companies Law), it is possible that the liquidity and marketability of the Kingswood Shares

will, in the future, be more constrained than at present and the value of such shares may be adversely affected as a consequence;

- Kingswood Shareholders will no longer be afforded the protections given by the AIM Rules, such as the requirement to be notified of certain events, and the separate requirement to seek shareholder approval for certain other corporate events, including substantial transactions, related party transactions and fundamental changes in Kingswood's business;
- Cavendish will cease to be Kingswood's nominated adviser and broker;
- whilst Kingswood's CREST facility will remain in place immediately post the De-Listing, Kingswood's CREST facility may be cancelled in the future. Although the Kingswood Shares will remain transferable, they may cease to be transferable through CREST. In this instance, Kingswood Shareholders who hold Kingswood Shares in CREST will receive share certificates;
- in the absence of a formal market and quote, it may be more difficult for Kingswood Shareholders to determine the market value of their investment in Kingswood at any given time;
- stamp duty will potentially be payable on transfers of Kingswood Shares as the Kingswood Shares will no longer be traded on AIM; and
- the De-Listing may have personal taxation consequences for Kingswood Shareholders. Kingswood Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.

In the event that the De-Listing becomes effective, Kingswood Shareholders unable, or unwilling, to hold Kingswood Shares in a private company may consider selling their Kingswood Shares pursuant to the Offer.

Upon De-Listing, liquidity in, and marketability of, the Kingswood Shares will be very limited. As such, interests in Kingswood Shares are unlikely thereafter to be readily capable of sale and where a buyer is identified, it may be difficult to place a fair value on any such sale. While there can be no guarantee that Kingswood Shareholders will be able to sell any Kingswood Shares, any Kingswood Shareholder seeking to do so following the De-Listing should contact Kingswood in writing at the registered office of Kingswood, Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey GY2 4LH. Kingswood will then be able to advise as to whether the Directors are aware of any prospective buyers for any Kingswood Shares which the holder thereof wishes to sell at that time.

15. Procedure for Acceptance

Kingswood Shareholders who hold their Kingswood Shares in certificated form should read this paragraph in conjunction with the Form of Acceptance and Part B and Part C of Part III (*Further terms of the Offer and Acceptances*) of this document. Kingswood Shareholders who hold their shares in uncertificated form (that is, through CREST) should read this paragraph in conjunction with Part B and Part C of Part III (*Further terms of the Offer and Acceptances*) of this document. The instructions on the Form of Acceptance are deemed to form part of the terms of the Offer.

The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days' notice prior to the specified closing date (which cannot be earlier than 21 days after the posting of this Offer Document). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com/>. The Offer will be open for acceptance until 1.00 p.m. (London time) on the Closing Date.

If you have any questions about this document or the accompanying documents, or are in any doubt as to how to complete the Form of Acceptance (if you hold Kingswood Shares in certificated form) or as to how to make an Electronic Acceptance (if you hold Kingswood Shares in uncertificated form), or wish to obtain an additional Form of Acceptance, please contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to

the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

(a) ***Kingswood Shares held in certificated form***

(i) *Completion of the Form of Acceptance*

Your personalised Form of Acceptance accompanies this document.

You may also obtain additional Forms of Acceptance, by contacting the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. The Receiving Agent will send you a personalised Form of Acceptance within 10 Business Days, and you will be instructed to return the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance.

To accept the Offer in respect of Kingswood Shares held in certificated form (that is, not in CREST), you must complete the personalised Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. The instructions printed on the Form of Acceptance are deemed to form part of the terms of the Offer. You should complete a separate Form of Acceptance for Kingswood Shares held in certificated form but under different designations. If you have any queries as to how to complete the Form of Acceptance, please contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09.00 – 17.30, Monday to Friday excluding public holidays in England and Wales. Please note that the Receiving Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. **Additional Forms of Acceptance are available from the Receiving Agent upon request.**

- To accept the Offer in respect of all your Kingswood Shares in certificated form – you must insert in Box 3A the total number of Kingswood Shares in respect of which you wish to accept the Offer and sign Box 4A or 4B, as applicable, of the enclosed Form of Acceptance. In the case of joint holders, all joint holders must sign Box 4A. In all cases, if you are an individual, you must sign Box 4A on the Form of Acceptance in the presence of a witness who should also sign in accordance with the instructions printed on it for execution by individuals. Any Kingswood Shareholder that is a company should execute Box 4B on the Form of Acceptance in accordance with the instructions printed on it for execution by a company. If you do not insert a number in Box 3A of the Form of Acceptance, or if you insert in Box 3A a number which is greater than the number of Kingswood Shares that you hold and you have signed in Box 4A or Box 4B, your acceptance will be deemed to be in respect of all the certificated Kingswood Shares registered in your name.
- To accept the Offer in respect of less than all your Kingswood Shares in certificated form – you must insert in Box 3A of the enclosed Form of Acceptance such lesser number of Kingswood Shares in respect of which you wish to accept the Offer in accordance with the instructions printed thereon. You should then follow the procedure set out in paragraph (i) above in respect of such lesser number of Kingswood Shares.

(ii) *Return of the Form of Acceptance*

To accept the Offer in respect of Kingswood Shares held in certificated form, the completed, signed and (if applicable) witnessed Form of Acceptance should be returned by post to the Receiving Agent at MUFG Corporate Markets at Central Square, 29 Wellington Street, Leeds LS1 4DL together (subject to paragraph 15(a)(iii) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible and, in any event, so as to be received not later than 1.00 p.m. (London time) on the Closing Date. A reply-paid envelope for use in the United Kingdom only is enclosed for your convenience. It is recommended to allow four Business Days for delivery. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received electronically in respect of Kingswood Shares held in certificated form will be rejected as an invalid acceptance of the Offer.

Any Form of Acceptance received in an envelope post-marked in a Restricted Jurisdiction or otherwise appearing to HSQ or its agents to have been sent from any of these jurisdictions may be rejected as an invalid acceptance of the Offer. The attention of Kingswood Shareholders holding Kingswood Shares and who are citizens or residents of jurisdictions outside the United Kingdom is drawn to paragraph 6 of Part A of Part III (*Further terms of the Offer and Acceptances*) of this document.

(iii) *Share certificates not readily available or lost*

If your Kingswood Shares are in certificated form, a completed, signed and witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and lodge the Form of Acceptance as stated above so as to be received by the Receiving Agent by post at MUFG Corporate Markets Central Square, 29 Wellington Street, Leeds LS1 4DL, not later than 1.00 p.m. (London time) on the Closing Date. You should send with the Form of Acceptance any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible thereafter but in any event so as to arrive by no later than 1.00 p.m. (London time) on the Closing Date. It is recommended to allow four Business Days for delivery.

If you have lost your share certificate(s) and/or other document(s) of title, and you are accepting the offer for 1,000,000 or fewer Kingswood Shares, please tick Box 3B at the time of submission of the Form of Acceptance. You do not need to provide a separate letter of indemnity for the lost share certificate(s) and/or other document(s) of title. If you have lost your share certificate(s) and/or other document(s) of title and you are accepting the offer for more than 1,000,000 Kingswood Shares at the time of submission of the Form of Acceptance, you should tick Box 3C and separately write as soon as possible to the Receiving Agent at MUFG Corporate Markets Central Square, 29 Wellington Street, Leeds LS1 4DL, requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title. When completed in accordance with the instructions given, you should return the letter of indemnity by post to the Receiving Agent at MUFG Corporate Markets Central Square, 29 Wellington Street, Leeds LS1 4DL, so as to arrive by no later than 1.00 p.m. (London time) on the Closing Date. It is recommended to allow four Business Days for delivery.

If, following the submission of a Form of Acceptance and prior to the Closing Date, you acquire further Kingswood Shares which bring your total holding of Kingswood Shares in certificated form to more than 1,000,000, but you have not provided a letter of indemnity relating to your lost share certificate(s) and/or other document(s) of title, your Form of Acceptance may be rejected.

If subsequently available, you should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title, you should, as soon as possible, write to or telephone the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 between 8.30 a.m. and 5.30 p.m., requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post to the Receiving Agent as stated above. New share certificates should be obtained from the Receiving Agent in its capacity as Kingswood's registrars.

(iv) *Validity of Acceptance*

Without prejudice to Part B and Part C of Part III (*Further terms of the Offer and Acceptances*) of this document, subject to the provisions of the Takeover Code, HSQ reserves the right to treat as valid in whole or in part any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, subject to the provisions of the Takeover Code, no payment of the cash consideration under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities reasonably satisfactory to HSQ have been received.

(b) ***Kingswood shares held in uncertified form (that is, in CREST)***

(i) *General*

If your Kingswood Shares are in uncertificated form, to accept the Offer you should take (or procure the taking of) the action set out below to transfer the Kingswood Shares in respect of which you wish to accept the Offer to the appropriate escrow balance(s), specifying the Receiving Agent (in its capacity as a CREST participant under the Receiving Agent's participant ID referred to below) as the escrow agent, **as soon as possible and in any event so that the TTE instruction settles not later than 1.00 p.m. (London time) on the Closing Date. Note that settlement cannot take place on weekends or public holidays (or other times at which the CREST system is non-operational). You should therefore ensure you time the input of any TTE instructions accordingly.**

The input and settlement of a TTE instruction in accordance with this paragraph 15(b)(i) will (subject to satisfying the requirements set out in Part B and Part C of Part III (*Further terms of the Offer and Acceptances*) of this document) constitute an acceptance of the Offer in respect of the number of Kingswood Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE instruction(s) to Euroclear in relation to your Kingswood Shares.

After settlement of a TTE instruction, you will not be able to access the Kingswood Shares concerned in CREST for any transaction or charging purposes. The Receiving Agent will transfer the Kingswood Shares concerned in accordance with Part C of Part III (*Further terms of the Offer and Acceptances*) of this document.

You are recommended to refer to the CREST Manual for further information on the CREST procedure outlined below.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction relating to your Kingswood Shares to settle prior to 1.00 p.m. (London time) on the Closing Date. In this connection, you are referred in particular to those

sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

The latest time for receipt of an Electronic Acceptance through CREST will be 1.00 p.m. (London time) on the Closing Date. The latest time and date by which the Offer can be accepted in certificated form will be 1.00 p.m. (London time) on the Closing Date. A separate announcement will be made in due course confirming the timetable and the relevant deadline for accepting the Offer, including on CREST. The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days' notice prior to the specified closing date (which cannot be earlier than 21 days after the posting of this Offer Document). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com/>.

(ii) *To accept the Offer*

To accept the Offer in respect of Kingswood Shares held in uncertificated form, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) to Euroclear a TTE instruction in relation to such shares. A TTE instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details (being an Electronic Acceptance):

- the number of Kingswood Shares in respect of which you wish to accept the Offer (i.e. the number of Kingswood Shares to be transferred to escrow);
- your member account ID;
- your participant ID;
- the participant ID of the escrow agent, MUFG Corporate Markets, in its capacity as a CREST receiving agent, being RA10;
- the member account ID(s) of the escrow agent, MUFG Corporate Markets, in its capacity as a CREST receiving agent, being HSQKIN01;
- the ISIN of the relevant Kingswood Shares (this is "GG00BKY4K072");
- the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on the Closing Date;
- the corporate action number for the transaction; this is allocated by Euroclear and can be found by viewing the relevant corporate action details on screen in CREST;
- CREST standard delivery instructions priority of 80; and
- a contact name and telephone number (inserted in the shared note field).

If you hold Kingswood Shares in uncertificated form through one or more intermediaries, such as a stockbroker, custodian bank or clearing system, you should confirm the instruction deadline which such intermediaries have established to accept the Offer on your behalf. The custodian bank or stockbroker may set an earlier deadline for receiving instructions from you in order to permit the custodian bank or stockbroker to communicate acceptances to the Receiving Agent in a timely manner.

(iii) *Validity of Acceptances*

Holders of Kingswood Shares in uncertificated form who wish to accept the Offer should note that a TTE instruction will only be a valid acceptance of that Offer as at the relevant closing

date if it has settled at or before 1.00 p.m. (London time) on that date. A Form of Acceptance which is received in respect of Kingswood Shares held in uncertificated form may be treated as an invalid acceptance and may be disregarded.

Without prejudice to Part B and Part C of Part III (*Further terms of the Offer and Acceptances*) of this document, subject to the provisions of the Takeover Code, HSQ reserves the right to treat as valid in whole or in part any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant TTE instruction. In that event, subject to the provisions of the Takeover Code, no payment of the cash consideration under the Offer will be made until after the relevant TTE instruction reasonably satisfactory to HSQ has been received. HSQ will make an appropriate announcement if any of the details contained in this paragraph 15(b) alter for any reason.

(iv) *Overseas Shareholders*

The attention of Kingswood Shareholders holding Kingswood Shares in uncertificated form and who are citizens or residents of jurisdictions outside the United Kingdom is drawn to Part C of Part III (*Further terms of the Offer and Acceptances*) and Part B of Part V (*Additional Information*) of this document.

(v) *General*

Normal CREST procedures (including timings) apply in relation to any Kingswood Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Offer (whether any such conversion arises as a result of a transfer of Kingswood Shares or otherwise). Holders of Kingswood Shares who are proposing so to convert any such shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Offer (in particular, as regards delivery of share certificate(s) and/or other document(s) of title or transfers to an escrow balance as described above) prior to 1.00 p.m. (London time) on the Closing Date.

16. Settlement

Kingswood Shareholders who accept the Offer early, i.e. on or prior to 1 pm on 15 April 2025, will receive the consideration payable to them under the Offer earlier (i.e. by 29 April 2025). Kingswood Shareholders who accept the Offer after 1 pm on 15 April 2025 and until the Offer remains open for acceptances will only receive the consideration payable to them under the Offer within 14 calendar days of receipt of such acceptance.

Payment of the cash consideration

- **Where Kingswood Shares are held in uncertified form (that is, in CREST)**

Where a valid acceptance relates to Kingswood Shares in uncertificated form, the payment of cash consideration to which the accepting Kingswood Shareholder is entitled shall be effected through CREST by HSQ instructing (or procuring the instruction of) Euroclear to create a CREST assured payment obligation in accordance with the CREST assured payment arrangements in favour of the appropriate CREST account through which the relevant Kingswood Shareholder holds such uncertificated Kingswood Shares in respect of the cash consideration due to that Kingswood Shareholder.

The instruction by (or on behalf of) HSQ to create an assured payment arrangement shall be a complete discharge of HSQ's obligations under the Offer with reference to payments through CREST.

The CREST payment obligations set out above will be created: (i) in the case of valid acceptances received, complete in all respects, by 15 April 2025, within 14 days of such date; and (ii) in the case of acceptances received, complete in all respects, after such date but while the Offer remains open for

acceptance, within 14 days of such receipt, and each applicable holding of Kingswood Shares credited to any stock account in CREST in respect of which cash consideration has been paid will be disabled and all applicable Kingswood Shares in respect of which cash consideration has been paid will be removed from CREST in due course thereafter.

HSQ reserves the right to pay cash consideration to all or any relevant CREST shareholders by cheque if for any reason it wishes to do so.

- **Where Kingswood Shares are held in certificated form**

Where a valid acceptance relates to Kingswood Shares in certificated form, settlement of the cash consideration shall be despatched by cheque or by such other method as may be approved by the Panel. Your attention is drawn in particular to paragraphs 15(a)(iii) and 15(a)(iv) above which set out the steps to be taken if your Form of Acceptance is not accompanied by the relevant share certificate(s) and/or other document(s) of title and the consequences thereof.

Subject to the above, all deliveries of cheques required to be made pursuant to the Offer shall be effected by posting them, (i) in the case of valid acceptances received, complete in all respects, by 15 April 2025, within 14 days of such date; and (ii) in the case of acceptances received, complete in all respects, after such date but while the Offer remains open for acceptance, within 14 days of such receipt, by first class post or by such other method as may be approved by the Panel, addressed to the persons entitled to them at their respective addresses as appearing in the Register at the Closing Date (or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in the Register in respect of such joint holding at such time) and neither Kingswood nor HSQ (nor any of their respective nominees or agents) shall be responsible for any loss or delay in the transmission of cheques sent in this way.

All cash consideration due to Kingswood Shareholders shall be paid in sterling and, in the case of a cheque, drawn on a UK clearing bank.

All cheques shall be made payable to the Kingswood Shareholder(s) (except that, in the case of joint holders, HSQ reserves the right to make cheques payable to the joint holder whose name stands first in the Register in respect of such joint holding at the Closing Date) and the encashment of any such cheque shall be a complete discharge by HSQ for the obligation to pay the monies represented thereby.

Payment terms

Cheques will not be mailed to any Kingswood Shareholder who holds their Kingswood Shares in certificated form where Kingswood and/or the Receiving Agent has identified a verification issue with the information provided for that Kingswood Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the relevant consideration to the Kingswood Shareholder, which needs to be addressed before payment of the relevant consideration to such Kingswood Shareholder can be made. In these circumstances, the Receiving Agent will, hold the relevant consideration for such Kingswood Shareholders and engage with each of them to verify their identity and payment details before payment of such consideration is made to them.

In addition, and without prejudice to the foregoing, no electronic payment shall be made to any Kingswood Shareholder where Kingswood and/or the Receiving Agent has been unable to validate the electronic payment details to the satisfaction of Kingswood and/or the Receiving Agent. The Receiving Agent shall also have the power to withhold any consideration payable to any Kingswood Shareholder where either Kingswood and/or the Receiving Agent believes that there is a verification issue with the information provided for that Kingswood Shareholder or any underlying beneficial holders, where the information is required for the purpose of payment of the relevant consideration to the Kingswood Shareholder.

- **General**

All documents and remittances sent to Kingswood Shareholders will be sent at the risk of the person(s) entitled thereto.

Except with the consent of the Panel, settlement of the consideration to which any accepting Kingswood Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer free of any lien, right of set-off, counterclaim or other analogous right to which any person may otherwise be, or claim to be, entitled against such Kingswood Shareholder, and will be effected in the manner described in this document.

17. Overseas Shareholder

Overseas Shareholders should refer to Part B of Part V (*Additional Information*) of this document which contains important information relevant to such Overseas Shareholders.

The implications of the Offer for Overseas Shareholders may be affected by the laws of their relevant jurisdictions. Overseas Shareholders should inform themselves about and observe any applicable legal requirements. It is the responsibility of each Overseas Shareholder to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection with the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction. If you remain in doubt, you should consult your professional adviser in the relevant jurisdiction without delay.

This document does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for shares in any jurisdiction in which such offer or solicitation is unlawful.

This document and the accompanying Form of Acceptance have been prepared for the purposes of complying with English law, the applicable requirements of the Companies Act, the Takeover Code, the Panel, the AIM Rules, the FCA and the London Stock Exchange and applicable securities law and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of any other jurisdiction.

18. United Kingdom Taxation

A summary of relevant UK taxation, which is intended as a general guide only, is set out in Part C of Part V (*Additional Information*) of this document. If you are in any doubt as to your tax position, or you are subject to taxation in a jurisdiction other than the United Kingdom, you are strongly advised to consult an appropriate independent professional adviser.

19. Further Information

The terms of the Offer are set out in Part III (*Further terms of the Offer and Acceptances*) of this document. Your attention is drawn in particular to the letter from the Chairman of Kingswood set out in Part II (*Letter from the Chairman of Kingswood*) of this document, and the further information contained in this document and, if your Kingswood Shares held in certificated form, to the accompanying Form of Acceptance which should be read in conjunction with this document.

20. Action to be taken

To accept the Offer:

- **If your Kingswood Shares are in uncertificated form (that is, in CREST), you should NOT return the Form of Acceptance but instead ensure that an Electronic Acceptance is made by you or on your behalf as soon as possible and that settlement is no later than 1.00 p.m. (London time) on the Closing Date.**
- **If your Kingswood Shares are in certificated form, the Form of Acceptance must be completed, signed and returned as soon as possible (together with your share certificate(s) and/or other document(s) of title), and in any event so as to be received by the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL no later than 1.00 p.m. (London time) on the Closing Date.**

The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days' notice prior to the specified closing date (which cannot be earlier than 15 April 2025). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on Kingswood's website at <https://www.kingswood-group.com/>.

If you have any questions relating to acceptance of the Offer, please contact the Receiving Agent. If calling from within the United Kingdom, you should contact the Receiving Agent on 0371 664 0321, or if calling from outside the United Kingdom, you should call +44 (0) 371 664 0321 or by submitting a request in writing to the Receiving Agent at MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that the Receiving Agent cannot provide any financial, legal or tax advice and that calls may be recorded and monitored for security and training purposes.

Yours faithfully,

Duncan Gerard

Director

HSQ Investment Limited

PART II

LETTER FROM THE CHAIRMAN OF KINGSWOOD HOLDINGS LIMITED



Directors:

David Hudd (*Non-Executive Chairman*)
Peter Coleman (*Chief Executive Officer*)
Jonathan Freeman (*Non-Executive Director*)
Duncan Gerard (*Non-Executive Director*)
Gemma Godfrey (*Non-Executive Director*)
Lindsey McMurray (*Non-Executive Director*)
Jane Millar (*Non-Executive Director*)

Registered office:

Mont Crevelt House
Bulwer Avenue
St. Sampson
Guernsey
GY2 4LH

25 March 2025

To holders of shares (“**Kingswood Shares**”) in Kingswood Holdings Limited (“**Kingswood**”, the “**Company**” or the “**Group**”) and, for information only, to holders of options under the Kingswood share plans and persons with information rights

Dear Shareholder

Unconditional recommended cash offer for Kingswood by HSQ Investment Limited (“HSQ”)

and

Cancellation of admission to trading of the Kingswood Shares on AIM

1. Introduction

On 18 March 2025, HSQ and the Independent Kingswood Directors (as defined below) announced that they had agreed the terms of an unconditional recommended cash offer (the “**Offer**”) for the entire issued and to be issued ordinary share capital of Kingswood not already held by HSQ at a price of 7 pence per Kingswood Share.

HSQ currently owns 89.39% of Kingswood’s issued share capital and, pursuant to a request from HSQ, the Company has already submitted an application to AIM to cancel the admission to trading. The cancellation date is currently anticipated to be on or around 17 April 2025.

I am writing to you today, on behalf of the Independent Kingswood Directors, to set out the reasons why the Independent Kingswood Directors consider the terms of the Offer to be fair and reasonable and are unanimously recommending that you accept, or procure the acceptance of, the Offer as the Independent Kingswood Directors that own Kingswood Shares have irrevocably undertaken to do.

I also draw your attention to the letter from HSQ set out in Part I (*Letter from HSQ Investment Limited*) of this document which gives details about the Offer, and to the additional information set out in Part A of Part V (*Additional Information*) of this document. In accordance with Rule 24.1(a) of the Takeover Code, the Independent Kingswood Directors have given their consent to the publication of this document within 14 days of the date of the Rule 2.7 Announcement.

2. Summary of the terms of the Offer

Under the terms of the Offer, which is unconditional from the outset and subject to the terms set out in Part III (*Further terms of the Offer*) and, in the case of Kingswood Shares held in certificated form, the Form of Acceptance, Kingswood Shareholders who accept the Offer shall be entitled to receive:

7 pence in cash for each Kingswood Share held

The Offer values the entire issued share capital of Kingswood at approximately £48.03m on a fully diluted basis. Having regard to the financial profile of the Group, and HSQ's intentions for the Group and the imminent De-Listing described in Part I (*Letter from HSQ Investment Limited*) of this document, the Independent Kingswood Directors consider that the Offer provides holders of Kingswood Shares ("**Kingswood Shareholders**") with the opportunity to realise their entire investment in the Company for cash in a scenario where the Independent Kingswood Directors have taken into account HSQ's belief as set out in the Rule 2.7 Announcement and in Part I (*Letter from HSQ Investment Limited*) of this document, that there is limited prospect of any future liquidity for the Kingswood Shares.

The Offer is subject to valid acceptances being received from Kingswood Shareholders but is not subject to any minimum level of acceptance and is unconditional from the outset. No regulatory approvals are required in respect of the making or the acceptance of the Offer. Should the Offer achieve acceptances and/or acquisitions amounting to 90% or more in value of the Kingswood Shares subject to the Offer (excluding Kingswood Shares which are Excluded Shares), HSQ will invoke its statutory rights under part XVIII of the Companies Law to compulsorily acquire any remaining Kingswood Shares not tendered under the Offer, thereby securing 100% ownership of Kingswood. It is important to note that, as the Offer is unconditional from the outset, an accepting Kingswood Shareholder will not be entitled to withdraw an acceptance of the Offer.

If, on or after the posting date of this document, any dividend and/or other distribution and/or return of capital is declared, made or paid, or becomes payable in respect of the Kingswood Shares, the cash consideration payable under the terms of the Offer for the Kingswood Shares shall be reduced by an amount equal to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this document to the cash consideration payable under the terms of the Offer will be deemed to be a reference to the cash consideration as so reduced. In such circumstances, the relevant Kingswood Shareholder will be entitled to receive and retain such dividend and/or other distribution and/or return of capital. Any revision of the Offer price referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Offer.

3. Background to, and reasons for, the recommendation of the Offer by the Independent Kingswood Directors

The committee of Independent Kingswood Directors

Lindsey McMurray, non-executive director, and Duncan Gerard, non-executive director, are representatives on the Kingswood board of directors (the "**Board**") of Pollen Street Capital Limited ("**Pollen Street**"), the investment manager of funds which are the ultimate owners of HSQ. Accordingly, each of Lindsey McMurray and Duncan Gerard have not participated in the appraisal of the Offer, as they cannot be considered independent on this matter.

The Board therefore constituted a committee of the five remaining Independent Kingswood Directors (also excluding Gary Wilder and Jonathan Massing having recused themselves from any discussions on the Offer prior to their subsequent resignation as directors) for the purposes of carefully evaluating and ultimately recommending the Offer (the "**Independent Kingswood Directors**").

Background

Kingswood is an international, fully integrated wealth and investment management group. It is a trusted provider of wealth planning and investment management solutions to clients, underpinned by investment in people and innovation in technology that supports its advisers and clients. The Company has wholly-owned

wealth management operations in the UK and majority-owned wealth management operations in Ireland and also a 50.1% interest in Kingswood US, LLC (“KWUS”), a financial services business in the USA providing wealth management, investment banking, equity research and advisory solutions.

Since listing in 2014, the Company has pursued a strategy of organic and inorganic growth, recognising the opportunities created by the sector dynamics in the wealth management and financial planning space to expand the Company’s product offering and geographical presence. To provide the funding support to enable an accelerated acquisition led growth strategy, the Company obtained a commitment of up to £80m from Pollen Street in 2019. This investment was provided through HSQ. This commitment was satisfied by the issue of convertible preference shares that had the right to convert into Kingswood Shares. With the funding from HSQ, together with a debt facility subsequently put in place in October 2022, the Company has been able to complete 19 acquisitions since 2019, including the acquisition of the 50.1% interest in KWUS. This strategy has seen Assets under Advice and Management (“AUA&M”) increase from £2.5bn at 31 December 2019 to £12.3bn at 31 December 2023 and revenues increase from £10.1m to £86.2m over the same period. As at 31 December 2024, the Group’s AUA&M was approximately £13.1bn.

The Company now provides a holistic wealth management offering, encompassing a comprehensive financial planning, mortgage and investment proposition across the UK and Ireland serving both retail and corporate clients. An experienced and effective management team is in place, and the Board believes that there is substantial potential, with the appropriate levels of investment, to build both scale and value across the business. A strong risk culture underpins these ambitions of growth.

On 31 May 2024, it was announced that HSQ had converted all of its convertible preference shares into Kingswood Shares, resulting in HSQ being beneficially interested in 68.39% of the Company’s issued share capital.

Notwithstanding the Company’s growth in revenues and AUA&M, the Company’s performance has been impacted by the headwinds seen across the sector over the last couple of years. This has resulted in the Company’s growth not being as strong over the period as management had expected. In conjunction with this, the acquisition strategy has seen the Company’s debt position increase significantly over the last two years, rising from a net cash position of £39.7m to a net debt position of £48.1m as at 31 December 2023. Between 1 February 2024 and 31 December 2024, HSQ and/ or Pollen Street provided the Company with a further £21m through additional loans to enable the Company to meet its obligations in relation to deferred consideration due from previous acquisitions and in relation to interest payments due on its senior debt facility.

As at 31 December 2024, the unaudited gross debt in the Company from its senior debt facility, outstanding leases and the loans provided by HSQ and/or Pollen Street since February 2024 amounted to, in aggregate, £91.6m and the unaudited net debt of the Company was approximately £73.2m. As at 31 December 2024, the Company also had additional expected deferred consideration obligations over the next 12 months and additional obligations in respect of its revolving credit facility. Having regard to the trading position of the Company, these obligations would not be able to be satisfied through the operating cash flows of the Company and, unless alternative sources of capital were obtained, HSQ would need to remain the ultimate funder to enable the Company to meet these obligations. As announced on 12 March 2025, HSQ confirmed that they continued to be supportive of the business but believed that this was most appropriate from a position as sole institutional shareholder alongside the Company moving to an unlisted, private company setting and therefore they have stated that they would be willing to provide the required near-term funding only on this basis.

On 13 March 2025, HSQ acquired the interests of KPI and, following that acquisition, HSQ provided a further loan facility which enabled the Company to satisfy its immediate deferred consideration obligations.

Prior to the acquisition of the KPI stake by HSQ, the Independent Kingswood Directors were strongly of the view that there was no near term credible funding route for the Company other than the continued financial support from HSQ. In reaching this view, the Independent Kingswood Directors had considered a full range of potential alternative options including but not limited to equity financing, additional external debt funding, accelerated realisation of businesses or assets, and third party potential suitors for the Company as

a whole. The Independent Kingswood Directors concluded that, given factors such as the size of the HSQ shareholding, the debt owed by the Company (including to HSQ) and the terms of the Make Whole Instrument (which provides a guaranteed level of return to HSQ of approximately £140.1m), none of such options were deliverable (either at all or in any meaningful timescale) and that there could be no certainty as to the remaining value from these alternatives that would be attributable to the Independent Kingswood Shareholders and whether such value would be in excess of the 7p per Kingswood Share available under the Offer.

The Independent Kingswood Directors are also mindful that HSQ now owns 89.39% of the Company's issued share capital and that they are therefore seeking to cancel the listing of the Company on AIM, meaning that any shareholders not accepting the Offer would be minority shareholders in an unlisted Guernsey company.

Views of the Independent Kingswood Directors on HSQ's intentions for Kingswood

In considering the intention to recommend the Offer to Kingswood Shareholders, the Independent Kingswood Directors have given due consideration to the intentions of HSQ for the Company.

The Independent Kingswood Directors welcome that HSQ have confirmed the importance of offering long term security and certainty to all stakeholders and that HSQ does not intend to make any material change to the conditions of employment or in the balance of the skills and functions of the employees and management albeit that no firm decisions have been made by HSQ with respect to any specific actions which may or may not be taken in relation to Kingswood's management and employees.

The Independent Kingswood Directors recognise HSQ's belief that the current level of indebtedness in the Company is too great for the Group and that action needs to be taken to ensure the long-term success of Kingswood, its employees and clients. The Independent Kingswood Directors have noted that HSQ has undertaken to KPI to use all reasonable endeavours to arrange for a sale of the UK and Ireland operations and that such a transaction could be a merger with another wealth management company that is an existing portfolio company of funds managed and advised by Pollen Street. The Independent Kingswood Directors welcome initiatives that would have the prospect of delivering long-term capital investment to the UK and Ireland operations of the Group, but also note that HSQ has stated that, were such a merger to occur, a review of certain central functions of the Company would follow, which could result in rationalisation within certain of the central functions and also in a change to the location of the Company's headquarters and/or to the functions carried out there. The Independent Kingswood Directors can make no comment as to whether or not such a transaction will be consummated.

The Independent Kingswood Directors separately note that no material changes will be proposed to KWUS' business model over the course of the next 12 months. The Independent Kingswood Directors acknowledge HSQ's confirmation that it does not intend to create any research and development functions and also note that HSQ has no plans to redeploy the fixed assets of Kingswood nor any intention to make any changes to the Company's fixed assets more generally.

Finally, in the context of their deliberations, the Independent Kingswood Directors have taken into account the fact that that, once the De-listing is implemented, Kingswood Shareholders who do not accept the Offer will hold unlisted Kingswood Shares and, as minority shareholders, would not be afforded the same level of liquidity, regulatory disclosure rights and protections as were afforded to them whilst Kingswood remained listed on AIM.

Conclusion

As required by the Code, the Independent Kingswood Directors, together with their financial adviser Cavendish, have carefully considered and evaluated the financial terms of the Offer. Cavendish is providing financial advice to the Independent Kingswood Directors under Rule 3 of the Code.

The Independent Kingswood Directors recognise that the Offer represents an opportunity for Kingswood Shareholders to realise their entire existing holdings in Kingswood for cash.

In light of that assessment and also taking into account the financial advice received from Cavendish, the Independent Kingswood Directors are unanimously recommending that Kingswood Shareholders accept the Offer (as those Independent Kingswood Directors who hold Shares have agreed to do in respect of their own shareholdings).

4. Recommendation

The Independent Kingswood Directors, who have been so advised by Cavendish as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. Cavendish is providing independent financial advice to the Independent Kingswood Directors for the purposes of Rule 3 of the Takeover Code. In providing its financial advice to the Independent Kingswood Directors, Cavendish has taken into account the commercial assessments of the Independent Kingswood Directors.

Accordingly, the Independent Kingswood Directors unanimously recommend that Kingswood Shareholders accept the Offer as those Independent Kingswood Directors who hold Kingswood Shares have irrevocable undertaken to do in respect of, in aggregate, 737,750 Kingswood Shares (representing, in aggregate, approximately 0.11% of the Kingswood Shares as at the Last Practicable Date).

5. Irrevocable undertakings

HSQ has received irrevocable undertakings from the following Independent Kingswood Directors: David Hudd and Jonathan Freeman in respect of, in aggregate, 737,750 Kingswood Shares (representing, in aggregate, approximately 0.11% of the Kingswood Shares as at the Last Practicable Date).

In addition to the irrevocable undertakings given by the Directors listed above, HSQ has also received irrevocable undertakings from Gary Wilder and Jonathan Massing in respect of 1,115,001 and 350,000 Kingswood Shares respectively (representing, in aggregate, approximately 0.21% of the Kingswood Shares as at the Last Practicable Date).

HSQ has therefore received indications of support to accept, or to procure the acceptance of, the Offer in respect of a total of 2,202,751 Kingswood Shares, representing, in aggregate, approximately 0.32% of the Kingswood Shares as at the Last Practicable Date. Together with the Kingswood Shares already held by HSQ, this represents approximately 89.71% of the Kingswood Shares as at the Last Practicable Date.

Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in Part V to this document.

6. The Memorandum of Understanding between HSQ and KPI

The previous arrangements

On 30 September 2019, and as described in previous announcements, including on 31 May 2024, Kingswood issued a promissory note to HSQ (the “**Make Whole Instrument**”) which was structured to provide HSQ with a guaranteed return on its investment in convertible preference shares. Pursuant to this agreement, which was subsequently modified on 28 December 2021, upon a sale of HSQ’s shares in Kingswood, HSQ had a guaranteed minimum return of an amount equal to two times the total amount subscribed for their convertible preference shares prior to 28 December 2021 and an amount equal to one and a half times the total amount subscribed for their convertible preference shares on or after 28 December 2021. The aggregate level of return guaranteed by Kingswood to HSQ under the Make Whole Instrument is approximately £140.1m.

Separate to its shareholding in Kingswood, KPI holds an additional economic interest in Kingswood via HSQ, pursuant to a side letter entered into in December 2019 (the “**Side Letter**”). Pursuant to the Side Letter, KPI paid HSQ £5m in exchange for an economic interest in a portion of the convertible preference shares that HSQ had at that time subscribed for in Kingswood (the “**Trust Shares**”). HSQ agreed in the Side Letter to hold the Trust Shares on trust for, and to pay any proceeds relating to the Trust Shares to, KPI. On 31 May 2024, it was announced that HSQ had converted all of its convertible preference shares into Kingswood Shares resulting in HSQ being beneficially interested in 68.39% of the Company’s share capital.

The Side Letter remains in force and, as a result, KPI has a continuing economic interest of approximately 7% in HSQ's shareholding in Kingswood and also a 7% interest in HSQ's rights under the Make Whole Instrument.

Finally, as part of the commercial arrangements agreed between HSQ and KPI at the time of the Side Letter, a call option dated 28 February 2020 between HSQ and KPI was entered into (the "**Call Option**"). Under the Call Option, were HSQ to achieve a certain level of return in connection with its investment in Kingswood, KPI was entitled to be awarded options over HSQ's shares in Kingswood that would in turn entitle KPI to certain proceeds from HSQ on any eventual sale of HSQ's shares in Kingswood.

As a result, whilst KPI has sold its shares in Kingswood to HSQ, it retained an economic interest in Kingswood through its interests in HSQ's shares in Kingswood, the Make Whole Instrument and the Call Option. These arrangements are proposed to be amended as set out below.

The amended arrangements

On 26 February 2025, HSQ and KPI entered into a binding memorandum of understanding (the "**MOU**") that sets out the proposed terms to reconstitute the existing entitlements due to KPI under the Side Letter and the Call Option (the "**Amendment**").

The Amendment provides that in respect of any future proceeds distributed by HSQ, KPI is entitled to the following:

- a. KPI shall receive 7% of the proceeds arising and distributed to HSQ following the sale of the UK and Irish business (whether as a result of the Make Whole Instrument or otherwise) (the "**First Amount**");
- b. KPI shall receive 7% of the historic unpaid interest due by Kingswood to HSQ on HSQ's historic shareholding of convertible preference shares in Kingswood (the "**Second Amount**");
- c. any amounts paid to HSQ by Kingswood in excess of the amounts received from paragraph (a) above and, to the extent distributed, paragraph (b) above up to \$50m (the "**Third Amount**") will be distributed by HSQ in the following proportion: 90% to PSC and 10% to KPI; and
- d. any amounts in excess of the First Amount, the Second Amount and the Third Amount will be distributed by HSQ in the following proportion: 93% to Pollen Street and 7% to KPI.

In addition, under the terms of the MOU, KPI shall have a put right under which it can require Pollen Street to acquire all of KPI's interests in HSQ for the lower of: (i) USD 5.25m or (ii) an amount calculated pursuant to a formula derived from the future value of KWUS. The put right is only exercisable 3 years after the date of the MOU. The price will be reduced by any proceeds received by KPI, pursuant to its interests in HSQ, that are in excess of the First Amount, by the time of exercise (and the exercise of the put option will extinguish those rights to any further proceeds going forward).

Acquisition of KPI's shares by HSQ

HSQ acquired all of KPI's shares in Kingswood on 13 March 2025 at a price of 7p per share and as a result HSQ now owns 89.39% of Kingswood's issued share capital. Having now acquired KPI's shares, it is anticipated that the binding documentation in relation to the terms set out in the MOU will be completed shortly. Gary Wilder and Jonathan Massing resigned from the Board on 13 March 2025, when HSQ acquired all of KPI's shares in Kingswood.

The Independent Kingswood Directors' views relating to the Amendment

The Independent Kingswood Directors note that because:

- the Company's current indebtedness exceeds the existing equity value of the Company and the value implied to the Company by the Offer;
- there can be no certainty as to the likelihood of a future sale of the Company or its underlying assets nor as to the valuation achieved on any such sale; and

- HSQ's shareholding following the acquisition of the Kingswood Shares previously held by KPI, will (regardless of the outcome of the Offer) be such that any decisions regarding the future strategy and any decisions that may or may not trigger payments under the Make Whole Instrument will be subject to HSQ's controlling influence,

there can be no certainty that any payments will be required under the Make Whole Instrument, and therefore, what future economic benefit (if any) KPI may or may not receive as a result of the Amendment in excess of that to which it is entitled pursuant to its existing arrangements with HSQ. For this reason, neither the Independent Kingswood Directors nor Cavendish are able to form any clear view on the financial terms of the Amendment nor as to the future value, if any, that may be payable or receivable subsequent to the Amendment (save that the Independent Kingswood Directors note the put right afforded to KPI which, if exercised, provides to KPI an amount that is the lower of: (i) USD 5.25m or (ii) an amount calculated pursuant to a formula derived from the future value of KWUS (subject to a reduction for any proceeds already received by KPI, pursuant to its interests in HSQ, that are in excess of the First Amount, by the time of the exercise of the put option)).

As noted in the paragraph setting out the background to and reasons for the Independent Kingswood Directors' recommendation for the Offer, the Company has a significant debt burden and has near term deferred consideration obligations and additional debt obligations that require urgent funding without which the Company would be unable to meet its obligations. Since February 2024, HSQ has provided the capital required by the Company to meet its obligations in the form of additional loans to the Company. HSQ had informed the Independent Kingswood Directors that HSQ was only willing to provide further capital support from a position of sole institutional shareholder which was conditional on its acquisition of the KPI Shares which occurred on 13 March 2025. Absent that immediate funding support from HSQ, Kingswood would have been unable to continue trading as a going concern.

The Independent Kingswood Directors are of the view that in these circumstances, notwithstanding that the terms of the Amendment will not extend beyond KPI and HSQ, Independent Kingswood Shareholders should be offered the opportunity to exit their investment on the same terms as KPI at 7 pence per share, a value that the Independent Kingswood Directors, having been so advised by Cavendish as to the financial terms, consider to be fair and reasonable. Cavendish has taken into account the Independent Kingswood Directors' commercial assessments in forming this view.

As required by, and solely for the purposes of, Rule 16.1 of the Code, Cavendish (in its capacity as independent adviser to Kingswood for the purposes of Rule 3 of the Code) considers that the entry into the Amendment is fair and reasonable, so far as the Independent Kingswood Shareholders are concerned. In forming this view, Cavendish has taken into account the commercial assessments of the Independent Kingswood Directors as set out above.

Save as set out above, and the irrevocable undertakings entered into by the Independent Kingswood Directors, there are currently no arrangements or understandings between HSQ and/or KPI and/or Kingswood (or persons acting in concert with any of HSQ, KPI, or Kingswood) having any connection with or dependence upon the Offer.

7. Current trading and prospects

In the accounts for the year ended 31 December 2023, published in June 2024, the Company reported Group revenue of £86.2m split as follows:

- UK & Ireland revenues of £46.6m; and
- US revenues (the Company has a 50.1% interest in KWUS which accordingly is fully consolidated into Group reporting) of £39.6m.

For the year ended 31 December 2023, the Group reported a loss before tax of £13.3m.

For the six months ended 30 June 2024, announced on 30 September 2024, the Group reported revenue of £40.6m split as follows:

- UK & Ireland revenues of £23.4m; and
- US revenues of £17.2m.

For the six months to 30 June 2024 the Group reported operating profit of £6.1m and a statutory loss before tax of £5.9m.

As articulated at the time of the announcement of the interim results for the six months ended 30 June 2024, the business was seeing trading growth notwithstanding higher levels of adviser and consequently client attrition. Since 30 June 2024, the Independent Kingswood Directors have been encouraged by the trading performance of the Company. However, the balance sheet of the Company as at 30 June 2024 set out the near term deferred consideration obligations of the Company. In the period between 30 June 2024 and 31 December 2024, HSQ/Pollen Street provided the Company with additional loan facilities of, in aggregate, £10m to enable the Company to satisfy its deferred consideration obligations and interest payment obligations on the Company's debt facility as they fell due. As set out in paragraph 3 above, as at 31 December 2024 the unaudited gross debt in the Company from its senior debt facility, outstanding leases and the loans provided by HSQ and/or Pollen Street since February 2024 amounted to, in aggregate, £91.6m and the unaudited net debt of the Company was approximately £73.2m. As announced on 12 March 2025, set against this, the Company continued to have imminent obligations which significantly exceeded the cash balance available at the end of March 2025. In the absence of new external financial support, the Company would not have been able to satisfy these obligations.

Having acquired the KPI stake on 13 March 2025, HSQ obtained a position of sole institutional shareholder in the Company and has continued to support the business which included the provision of a further £4.8m loan facility that provided the capital the Company needed to meet its immediate deferred consideration obligations.

8. Information on HSQ

Information on HSQ is set out in paragraph 6 of Part I (*Letter from HSQ Investment Limited*) of this document.

9. Kingswood share plans

Details of the effect of the Offer on the outstanding rights under the Kingswood share plans and the appropriate proposals being made, where required, to participants in the Kingswood share plans in connection with the Offer are set out in paragraph 11 of Part I (*Letter from HSQ Investment Limited*) of this document.

10. Action to be taken by Kingswood Shareholders

Details of the action to be taken by Kingswood Shareholders in respect of the Offer are set out in paragraph 20 of Part I (*Letter from HSQ Investment Limited*) of this document.

The Offer is unconditional from the outset. The Offer will initially be open for acceptance until 1.00 p.m. (London time) on 15 April 2025. Kingswood Shareholders who accept the Offer early (i.e. on or prior to 1.00 p.m. (London time) on 15 April 2025) will receive the consideration payable to them under the Offer earlier (i.e. by 29 April 2025). Kingswood Shareholders who accept the Offer after 1.00 p.m. (London time) on 15 April 2025 and until the Offer remains open for acceptances will only receive the consideration payable to them under the Offer within 14 calendar days of receipt of such acceptance.

Kingswood Shareholders are therefore encouraged to accept the Offer and, if their Kingswood Shares are held in certificated form, submit their Forms of Acceptance as soon as possible. As the Offer is unconditional from the outset, an accepting Kingswood Shareholder will not be entitled to withdraw an acceptance of the Offer.

Details relating to the cancellation of admission to trading of the Kingswood Shares on AIM, squeeze-out of Kingswood Shares and settlement of the cash consideration offered by HSQ are included in paragraphs 4 and 14 of Part I (*Letter from HSQ Investment Limited*) of this document.

11. Overseas Shareholders

Overseas shareholders of Kingswood Shares should refer to Part B of Part V (*Additional Information*) of this document, which contains important information relevant to such holders.

12. United Kingdom taxation

Your attention is drawn to Part C of Part V (*Additional Information*) and paragraph 1(f) of Part B of Part V (*Additional Information*) of this document, which contain a summary of limited aspects of the UK tax treatment of the Offer. This summary relates only to the position of certain categories of Kingswood Shareholders (as explained further in Part C of Part V (*Additional Information*) of this document), does not constitute tax advice and does not purport to be a complete analysis of all potential UK tax consequences of the Offer.

You are strongly advised to contact an appropriate independent professional adviser immediately to discuss the tax consequences of the Offer on your particular circumstances, in particular if you are in any doubt about your own taxation position or you are subject to taxation in a jurisdiction other than the United Kingdom.

13. Further information

Your attention is drawn to further information contained in Part I (*Letter from HSQ Investment Limited*) including, in particular, paragraph 14 which sets out the potential consequences of the impending cancellation of admission to trading on AIM of Kingswood Shares, Part III (*Further terms of the Offer*) and Part V (*Additional Information*) of this document, which provide further details concerning the Offer.

You are advised to read the whole of this document and not just rely on the summary information contained in this letter or the Letter from HSQ.

Yours faithfully

David Hudd

Non-Executive Chairman

Kingswood Holdings Limited

PART III

PART A: FURTHER TERMS OF THE OFFER

The following further terms apply to the Offer, unless the contrary is expressed or the context requires otherwise.

Unless the context requires otherwise, any reference in this Part A to Part III (*Further terms of the Offer and Acceptances*) and in the Form of Acceptance:

- (a) to “acceptances of the Offer” includes deemed acceptances of the Offer; and
- (b) to the “Offer” includes any revision, variation, renewal or extension of the Offer and includes any election available in connection with the Offer.

1. Offer timetable and acceptance period

- (a) The Offer will be open for acceptance until 1.00 p.m. (London time) on the Closing Date. The Offer is unconditional from the outset and acceptances under the Offer are final and binding with no rights of withdrawal save as otherwise agreed in writing between HSQ and any particular Kingswood Shareholder or as otherwise permitted by HSQ (either generally or for any particular Kingswood Shareholder). The Offer will remain open for acceptances until HSQ confirms the Closing Date, with shareholders receiving at least 14 days’ notice prior to the specified closing date (which cannot be earlier than 21 days after the posting of this Offer Document). Such notice will be given to Kingswood Shareholders via an announcement through a Regulatory Information Service and will advise of the final settlement date, with such announcement being made available on HSQ’s website at <https://arena.pollencap.com> and Kingswood’s website at <https://www.kingswood-group.com>. The Offer will be open for acceptance until 1.00 p.m. (London time) on the Closing Date.
- (b) The Offer will remain open for acceptance for not less than 21 days from the date of this document. HSQ will give not less than 14 days’ notice to those Kingswood Shareholders who have not accepted the Offer (and to persons with information rights) of the Closing Date.

2. Announcements

- (a) In this Part A (*Further terms of the Offer and Acceptances*), references to the making of an announcement or the giving of notice by or on behalf of HSQ include the release of an announcement to the press and/or the transmission by whatever means of an announcement to a Regulatory Information Service.
- (b) Unless otherwise consented to by the Panel: (i) an announcement made otherwise than to a Regulatory Information Service shall be notified simultaneously to a Regulatory Information Service; and (ii) an announcement which is published at a time when the relevant Regulatory Information Service is not open for business shall be distributed to not less than two newswire services operating in the United Kingdom and submitted for publication as soon as the relevant Regulatory Information Service re-opens.
- (c) A copy of any announcement made by HSQ in accordance with this paragraph 2 of this Part A will be available, subject to certain restrictions relating to persons outside the United Kingdom, for inspection on HSQ’s website at <https://arena.pollencap.com> and Kingswood’s website at <https://www.kingswood-group.com> promptly after the making of such announcement and in any event by no later than 12.00 p.m. (London time) on the Business Day following the announcement.
- (d) Without limiting the manner in which HSQ may choose to make any public statement and subject to HSQ’s obligations under applicable law and regulation and paragraph 2(d) of this Part A, HSQ will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to a Regulatory Information Service.

- (e) HSQ shall make an announcement on the Business Day following 15 April 2025 (being Day 21) and every seventh day thereafter.

3. Rights of withdrawal

As the Offer is unconditional from the outset, acceptances under the Offer are final and binding with no rights of withdrawal save as otherwise agreed in writing between HSQ and any particular Kingswood Shareholder or as otherwise permitted by HSQ (either generally or for any particular Kingswood Shareholder).

4. Revisions of the Offer

- (a) Although no revision of the Offer is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms and conditions or in the value or nature of the consideration offered or otherwise) and such revision represents on the date on which it is announced an improvement or no diminution in the value of the revised Offer compared with the consideration or terms previously offered or in the overall value received and/or retained by a Kingswood Shareholder (under the Offer or otherwise) the benefit of the revised Offer will, subject to paragraphs 4(c), 4(d) and 6, of this Part A, be made available to any Kingswood Shareholder who has accepted the Offer in its original or any previously revised form(s) ("Previous Acceptor"). The acceptance of the Offer by or on behalf of a Previous Acceptor in its original or any previously revised form(s) shall, subject as provided in paragraphs 4(c), 4(d) and 6 of this Part A, be treated as an acceptance of the Offer as so revised and shall also constitute the irrevocable and separate appointment of HSQ and the Receiving Agent and each of their directors as such Previous Acceptor's attorney and/or agent with authority:
 - (i) to accept any such revised Offer on behalf of such Previous Acceptor;
 - (ii) if such revised Offer includes alternative forms of consideration, to make on behalf of such Previous Acceptor such elections for and/or accept such alternative forms of consideration in the proportions such attorney and/or agent in their absolute discretion thinks fit; and
 - (iii) to execute on behalf of and in the name of such Previous Acceptor all such further documents (if any) and to do all such further things (if any) as may be required to give effect to such acceptances and/or elections.

In making any such election and/or acceptance, such attorney and/or agent shall be able to take into account the nature of any previous acceptances made by or on behalf of the Previous Acceptor and such other facts or matters as the attorney and/or agent may reasonably consider relevant. The attorney and/or agent shall not be liable to any Kingswood Shareholder or any other person in making such election and/or acceptance or in making any determination in respect thereof.

- (b) Subject to paragraphs 4(c) and 4(d) of this Part A, the powers of attorney and authorities conferred by this paragraph 4 of this Part A, and any acceptance of a revised Offer and/or any election pursuant thereto shall be irrevocable.
- (c) The deemed acceptance referred to in paragraph 4(a) of this Part A shall not apply, and the authorities conferred by that paragraph shall not be exercised, to the extent that a Previous Acceptor:
 - (i) in respect of Kingswood Shares in certificated form, lodges with the Receiving Agent at MUFG Corporate Markets at Central Square, 29 Wellington Street, Leeds LS1 4DL, within 14 days of the posting of the document containing the revised offer, a Form of Acceptance (or other form validly issued by or on behalf of HSQ) in which the Previous Acceptor validly elects to receive the consideration receivable by them under such revised Offer in some other manner than that set out in their original or any previous acceptance; or
 - (ii) in respect of Kingswood Shares in uncertificated form, sends (or, if a CREST sponsored member, procures that their CREST sponsor sends) an ESA instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each ESA instruction must, in order for it to be valid and settle, include the following details:

- the number of Kingswood Shares in respect of which the changed election is made, together with their ISIN number (this is “GG00BKY4K072”);
- the member account ID of the Previous Acceptor, together with their participant ID;
- the member account ID(s) of the escrow agent, MUFG Corporate Markets, in its capacity as a CREST receiving agent, being HSQKIN01;
- the Receiving Agent’s participant ID, being RA10;
- the CREST transaction ID of the Electronic Acceptance in respect of which the election is to be changed to be inserted at the beginning of the shared note field;
- the intended settlement date for the changed election;
- the corporate action number for the Offer allocated by Euroclear which can be found by viewing the relevant corporate action details in CREST,

and, in order that the desired change of election can be effected, must include:

- the member account ID of the Receiving Agent’s relevant to the new election; and
- input with a standard delivery instruction priority of 80.

Any such change of election will be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly, the Receiving Agent will on behalf of HSQ reject or accept the requested change of election by transmitting in CREST a Receiving Agent reject (AEAD) or Receiving Agent accept (AEAN) message as appropriate.

- (d) The deemed acceptance referred to in paragraph 4(a) of this Part A shall not apply, and the authorities conferred by that paragraph shall not be exercised if, as a result thereof, the Previous Acceptor would thereby receive and/or retain (as appropriate) less in aggregate in consideration under the revised Offer than they would have received and/or retained (as appropriate) in aggregate as a result of acceptance of the Offer in the form in which it was previously accepted by them or on their behalf (unless the Previous Acceptor has previously agreed in writing to receive and/or retain (as appropriate) less in aggregate consideration). The authorities conferred by paragraph 4(a) of this Part A shall not be exercised in respect of any election available under the revised Offer save in accordance with this paragraph 4(d).
- (e) HSQ and the Receiving Agent reserve the right to treat an executed Form of Acceptance, Electronic Acceptance or TTE instruction (in respect of the Offer in its original or any previously revised form(s)) which is received (or dated) on or after the announcement of any revised Offer as a valid acceptance of the revised Offer and/or, where applicable, a valid election for or acceptance of any of the alternative forms of consideration made available pursuant thereto. Such acceptances shall constitute an authority in the terms of paragraph 4(a) of this Part A, mutatis mutandis, on behalf of the relevant Kingswood Shareholder.
- (f) HSQ may (with the consent of the Panel and Kingswood) extend the Offer Period or revise the Offer provided it complies with the requirements of the Takeover Code, in particular the requirements of Rule 31.3 of the Takeover Code.

5. Acceptances and purchases

- (a) Kingswood Shares will be acquired by HSQ pursuant to the Offer fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them as at completion of the Offer, including the right to receive and retain all dividends and distributions (if any) declared, made or paid following the Closing Date.
- (b) If, on or after the date of this Offer, any dividend, distribution or other return of value is declared, paid or made or becomes payable by Kingswood in respect of the Kingswood Shares, HSQ reserves the right to reduce the cash consideration payable under the terms of the Offer for the Kingswood Shares by an amount up to the amount of such dividend, distribution or return of value. If (but only to the

extent) HSQ exercises that right to make such a reduction in respect of a dividend, distribution or return of value, Kingswood Shareholders will be entitled to receive and retain such dividend, distribution or return of value and references in this document to the cash consideration payable under the terms of the Offer will be deemed to be references to the cash consideration as so reduced. If and to the extent that any such dividend or distribution or return of value has been announced or declared, made or paid or is payable (i) transferred pursuant to the Offer on a basis which entitles HSQ to receive the dividend or distribution and to retain it; or (ii) cancelled before payment, the cash consideration payable under the terms of the Offer shall not be subject to change in accordance with this paragraph (b). Any exercise by HSQ of its rights referred to in this paragraph (B) shall not be regarded as constituting any revision or variation of the Offer.

- (c) Except with the consent of the Panel, settlement of the consideration to which any accepting Kingswood Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer free of any lien, right of set-off, counterclaim or other analogous right to which any person may otherwise be, or claim to be, entitled against such Kingswood Shareholder, and will be effected in the manner described in this document.
- (d) The Offer is made on 25 March 2025 and is capable of acceptance from that date. Copies of this document, a specimen Form of Acceptance, and any related documents are available (subject to certain restrictions relating to persons outside the United Kingdom) for inspection on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com> and from the Receiving Agent at the address set out in paragraph 4(c)(i) of this Part A.
- (e) In respect of Kingswood Shares in certificated form, the terms, provisions, instructions and authorities contained in or deemed to be incorporated in the Form of Acceptance constitute part of the terms of the Offer. The provisions of this Part A (*Further terms of the Offer and Acceptances*) shall be deemed to be incorporated in and form part of each Form of Acceptance. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance, unless the context otherwise requires.
- (f) The Offer, all acceptances of it and all elections pursuant to it, the Form of Acceptance and Electronic Acceptances, all contracts made pursuant to the Offer, all action taken or made or deemed to be taken or made pursuant to any of these terms and the relationship between a Kingswood Shareholder and HSQ and the Receiving Agent shall be governed by and interpreted in accordance with Guernsey law and English law.
- (g) Subject to paragraph 5(g) of this Part A, the Courts of England and Wales have exclusive jurisdiction to decide any dispute which may arise in connection with the creation, validity, effect, interpretation or performance of, or the legal relationships established by the Offer and the Form of Acceptance or the Electronic Acceptance or otherwise arising in connection with the Offer and the Form of Acceptance or the Electronic Acceptance. The execution of a personalised Form of Acceptance or making of an Electronic Acceptance by or on behalf of a Kingswood Shareholder constitutes such Kingswood Shareholder's irrevocable submission to the jurisdiction of the Courts of England.
- (h) The agreement in paragraph 5(g) of this Part A is included for the benefit of HSQ and the Receiving Agent and accordingly, HSQ and the Receiving Agent shall each retain the right to, and may in its absolute discretion, bring proceedings in the courts of any other country which may have jurisdiction. The execution of a Form of Acceptance or making of an Electronic Acceptance by or on behalf of a Kingswood Shareholder constitutes such Kingswood Shareholder's irrevocable submission to the jurisdiction of the courts of any such country.
- (i) Any omission or failure to despatch this document or (where relevant) the Form of Acceptance or any other document relating to the Offer or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. Subject to paragraph 6 of this Part A, the Offer extends to any such person and to all Kingswood Shareholders to whom this document, (where relevant) the Form of Acceptance

and any related documents may not be despatched and who may not receive such documents, and such persons may (subject to certain restrictions relating to persons outside the United Kingdom) collect copies of those documents from the Receiving Agent at the address set out in paragraph 4(c)(i) of this Part A or inspect this document on HSQ's website at <https://arena.pollencap.com> and Kingswood's website at <https://www.kingswood-group.com> while the Offer remains open.

- (j) All powers of attorney, appointments as agent and authorities on the terms conferred by or referred to in this Part A (*Further terms of the Offer and Acceptances*) or (where relevant) in the Form of Acceptance are given by way of security for the performance of the obligations of the Kingswood Shareholder concerned and are irrevocable (in respect of powers of attorney in accordance with section 4 of the Powers of Attorney Act 1971 and, in the case of a company incorporated in Guernsey, any powers of attorney are given in accordance with the Companies Law and, in the case of an individual in Guernsey, any powers of attorney are given in accordance with the Powers of Attorney and Affidavits (Bailiwick of Guernsey) Law, 1995, as amended, and in the case of a trust governed by Guernsey law, any powers of attorney are given in accordance with the Trusts (Guernsey) Law, 2007, as amended).
- (k) Without prejudice to any other provisions of this Part A and subject to the requirements of the Takeover Code, HSQ and the Receiving Agent reserve the right to treat acceptances of the Offer as valid (in whole or in part) if not entirely in order or not accompanied by the relevant TTE instruction or (as applicable) relevant share certificate(s) and/or other document(s) of title or if received by or on behalf of any of them at any place or places or in any manner determined by any of them or otherwise than as set out in this document or, in respect of Kingswood Shares held in certificated form, in the Form of Acceptance. In that event, subject to the provisions of the Takeover Code, no settlement of consideration of the Offer will be made until after the acceptance is entirely in order and (as applicable) the relevant transfer to escrow has settled or the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to HSQ have been received by the Receiving Agent.
- (l) All communications, notices, certificates, document(s) of title and remittances to be delivered by or sent to or from any Kingswood Shareholders will be delivered by or sent to or from them (or their designated agents) at their risk. No acknowledgement of receipt of any Form of Acceptance, transfer by means of CREST, communication, notice, share certificate(s) and/or other document(s) of title will be given by or on behalf of HSQ.
- (m) If HSQ receives acceptances under the Offer in respect of, and/or otherwise acquires, 90% or more in value of the Kingswood Shares to which the Offer relates and 90% or more of the voting rights carried by those shares, HSQ intends to exercise its rights in accordance with part XVIII of the Companies Law to acquire compulsorily the remaining Kingswood Shares on the same terms as the Offer.
- (n) HSQ acquired all of KPI's 144,125,262 ordinary shares in Kingswood on 13 March 2025 and, as a result, HSQ now owns 89.39% of Kingswood's issued share capital. Having acquired KPI's shares, HSQ confirms that it has requested that the Company cancel the admission to trading on AIM of the Kingswood Shares, with such cancellation proposed to take effect after the Closing Date. The cancellation date is currently anticipated to be on or around 17 April 2025.
- (o) Any reference in this Part A (*Further terms of the Offer and Acceptances*) to any law or regulation of any jurisdiction includes: (i) any subordinate legislation or regulation made under it; (ii) any law or regulation which it has amended, supplemented or replaced; and (iii) any law or regulation amending, supplementing or replacing it (whether before or after the date of this document).
- (p) In relation to any acceptance of the Offer in respect of a holding of Kingswood Shares which are in uncertificated form, HSQ reserves the right to make such alterations, additions or modifications to the terms of the Offer as may be necessary or desirable to give effect to any purported acceptance of the Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided such alterations, additions or modifications are consistent with the requirements of the Takeover Code or are otherwise made with the Panel's consent.

- (q) For the purposes of this document, the time of receipt of a TTE instruction, an ESA instruction or an Electronic Acceptance shall be the time at which the relevant instruction settles in CREST.
- (r) Neither HSQ, nor any person acting on behalf of HSQ, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith.
- (s) The Offer is subject to applicable requirements of the FCA, the London Stock Exchange, the AIM Rules and the Takeover Code. In the event of any conflict or inconsistency between the terms of the Offer and the Takeover Code, the provisions of the Takeover Code shall prevail, and HSQ reserves the right to (and shall if required by the Panel) make such alterations, additions or modifications to the terms of the Offer so that any such conflict or inconsistency is removed.
- (t) Any question as to the validity (including time of receipt) of any acceptance of the Offer and any question as to, or the acceptance of, any words or markings on a Form of Acceptance will be determined by HSQ, whose determination (save as the Panel otherwise determines) will be final and binding. None of HSQ, the Receiving Agent or any other person will be under any duty to give notification of any defect or irregularity in any purported acceptance of the Offer or will incur any liability for failure to do so or for any determination under this paragraph 5(t) of this Part A.

6. Overseas Shareholders

- (a) The making and availability of the Offer outside the United Kingdom and/or to Overseas Shareholders (or to nominees, custodians or trustees of such persons) may be prohibited or affected by the laws of the relevant jurisdictions. Such Overseas Shareholders should inform themselves about and observe any applicable legal requirements. No person receiving a copy of this document and/or a Form of Acceptance in any jurisdiction other than the United Kingdom may treat the same as constituting an invitation or offer to them, nor should they in any event use such Form of Acceptance if, in the relevant jurisdiction, such invitation or offer cannot lawfully be made to them or such Form of Acceptance cannot lawfully be used without contravention of any relevant or other legal requirements. In such circumstances, this document and/or the Form of Acceptance are sent for information only. It is the responsibility of such Overseas Shareholder receiving a copy of this document and/or the Form of Acceptance and wishing to accept the Offer to satisfy themselves as to the full observance of the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, including obtaining any governmental, exchange control or other consents which may be required, or compliance with other necessary formalities needing to be observed and payment of any issue, transfer or other taxes or duties due in such jurisdiction. Any such Overseas Shareholder will be responsible for any such issue, transfer or other taxes or other payments by whomsoever payable and HSQ (and any person acting on behalf of either of them) shall be fully indemnified and held harmless by such Overseas Shareholder for any such issue, transfer or other taxes or duties as HSQ (and any person acting on behalf of either of them) may be required to pay.

If you are an Overseas Shareholder and you are in doubt about your position, you should consult your independent professional adviser in the relevant jurisdiction.

- (b) In particular, unless otherwise determined by HSQ or required by the Takeover Code, and permitted by applicable law and regulation, the Offer will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and the Offer may not be made directly or indirectly, in or into, or by the use of any means (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use or means. Accordingly, copies of this document and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction.

Persons receiving such documents (including without limitation, custodians, trustees and nominees) must not mail or otherwise forward, distribute or send them, directly or indirectly, in, into or from any Restricted Jurisdiction or use Restricted Jurisdiction mails or any such means for any purpose, directly or indirectly, in connection with the Offer. Doing so may invalidate any purported acceptance of the Offer. Persons wishing to accept the Offer must not use such mails or any such means, directly or indirectly, for any purpose, directly or indirectly, related to acceptance of the Offer.

Envelopes containing a Form of Acceptance, evidence of title or any other document relating to the Offer should not be postmarked in a Restricted Jurisdiction or otherwise despatched from a Restricted Jurisdiction and all accepting Kingswood Shareholders must provide addresses outside a Restricted Jurisdiction for the remittance of consideration or for the return of the Form of Acceptance, share certificates and/or other document(s) of title.

- (c) A Kingswood Shareholder may be deemed not to have validly accepted the Offer if:
- (i) such Kingswood Shareholder puts “NO” in Box 5 of the Form of Acceptance and thereby does not give the representations and warranties set out in paragraph (b) of Part C of this Part 3 (Further terms of the Offer and Acceptances), having inserted in or having completed Box 6 of the Form of Acceptance with a registered address in a Restricted Jurisdiction, such Kingswood Shareholder does not insert in Box 6 of the Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom such Kingswood Shareholder wishes the consideration to which they are entitled under the Offer and/or any documents to be sent;
 - (ii) such Kingswood Shareholder inserts in Box 6 of the Form of Acceptance the name and address of a person or agent in a Restricted Jurisdiction to whom such Kingswood Shareholder wishes the consideration to which they are entitled under the Offer and/or any documents to be sent;
 - (iii) in any case, the Form of Acceptance is received in an envelope postmarked in, or which otherwise appears to HSQ or its agent to have been sent from, a Restricted Jurisdiction;
 - (iv) such Kingswood Shareholder inserts in the Form of Acceptance a telephone number in a Restricted Jurisdiction; or
 - (v) such Kingswood Shareholder makes a Restricted Escrow Transfer (as defined in paragraph 6(g)(i) of this Part A) pursuant to paragraph 6(g) of this Part A unless they also make a related Restricted ESA instruction (as defined in paragraph 6(g)(ii) of this Part A) which is accepted by the Receiving Agent.

HSQ reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph (b) of Part C of this Part 3 (*Further terms of the Offer and Acceptances*), could have been truthfully given by the relevant Kingswood Shareholder and, if such investigation is made and, as a result, HSQ cannot satisfy itself that such representation and warranty was true and correct, the acceptance shall not be valid.

- (d) If, in connection with the making of the Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, the Form of Acceptance or any related offering documents, in, into or from a Restricted Jurisdiction or uses any means (including without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facility of a national securities exchange of any Restricted Jurisdiction in connection with such forwarding, such person should:
- (i) inform the recipient of such fact;
 - (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - (iii) draw the attention of the recipient to this paragraph 6 of this Part A.

- (e) **Any acceptance of the Offer by Kingswood Shareholders who are unable to give the representations and warranties set out in paragraph (b) of Part B of this Part 3 (*Further terms of the Offer and Acceptances*) or (as the case may be) paragraph (b) of Part C of this Part 3 (*Further terms of the Offer and Acceptances*) is liable to be disregarded.**
- (f) HSQ reserves the right, in its absolute discretion, to treat any acceptance as invalid if it believes that such acceptance may violate applicable legal or regulatory requirements.
- (g) If a Kingswood Shareholder holding Kingswood Shares in uncertificated form cannot give the representations and warranties set out in paragraph (b) of Part C of this Part 3 (*Further terms of the Offer and Acceptances*), but nevertheless can provide evidence satisfactory to HSQ that they can accept the Offer in compliance with all relevant legal and regulatory requirements, such Kingswood Shareholder may only purport to accept the Offer by sending (or if a CREST sponsored member, procuring that their CREST sponsor sends) both:
 - (i) a TTE instruction to a designated escrow balance detailed below (a “Restricted Escrow Transfer”); and
 - (ii) one or more valid ESA instructions (a “Restricted ESA instruction”) which specify the form of consideration which such Kingswood Shareholder wishes to receive (consistent with the alternatives offered under the Offer).

Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and the Restricted ESA instruction(s) settle in CREST and HSQ decides, in its absolute discretion, to exercise its right described in paragraph 6(h) of this Part A to waive, vary or modify the terms of the Offer relating to Overseas Shareholders, to the extent required to permit such acceptance to be made, in each case during the period for which the Offer is open for acceptance. If HSQ accordingly decides to permit such acceptance to be made, the Receiving Agent will, on behalf of HSQ, accept the purported acceptance as an Electronic Acceptance on the terms of this document (as so waived, varied or modified) by transmitting in CREST a Receiving Agent accept (AEAN) message. Otherwise, the Receiving Agent will, on behalf of HSQ, reject the purported acceptance by transmitting in CREST a Receiving Agent reject (AEAD) message. Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- the ISIN number for the Kingswood Shares (this is “GG00BKY4K072”);
- the number of Kingswood Shares in uncertificated form in respect of which you wish to accept the Offer (i.e. the number of Kingswood Shares to be transferred to escrow);
- the member account ID and participant ID of the accepting Kingswood Shareholder;
- the participant ID of the Receiving Agent specific to a Restricted Escrow Transfer, being RA10;
- the member account ID of the Receiving Agent for the Offer, being RESTRICT;
- the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. (London time) on the Closing Date;
- the corporate action reference of the Offer. This is allocated by Euroclear and will be available on screen from Euroclear;
- input with a standard delivery instruction priority of 80; and
- a contact name and telephone number in the shared note field.

Each Restricted ESA instruction must, in order for it to be valid and settle, include the following details:

- the ISIN number for the Kingswood Shares (this is “GG00BKY4K072”);

- the number of Kingswood Shares relevant to that Restricted ESA instruction;
 - the member account ID and participant ID of the accepting Kingswood Shareholder;
 - the member account ID and participant ID of the Receiving Agent set out in the Restricted Escrow Transfer;
 - the participant ID (being RA10) and the member account ID (being RESTRICT) of the Receiving Agent relevant to the form of consideration required;
 - the CREST transaction ID of the Restricted Escrow Transfer to which the Restricted ESA instruction relates to be inserted at the beginning of the shared note field;
 - the intended settlement date. This should be as soon as possible and in any event not later than 1.00 p.m. (London time) on the Closing Date;
 - the corporate action reference of the Offer. This is allocated by Euroclear and will be available on screen from Euroclear;
 - input with a standard delivery instruction priority of 80; and
 - the contact name and telephone number inserted in the shared note field.
- (h) These provisions and any other terms of the Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific Kingswood Shareholders or on a general basis by HSQ in its absolute discretion. Subject thereto, the provisions of this paragraph 6 of this Part A supersede any terms of the Offer inconsistent with them. References in this paragraph 6 of this Part A to a Kingswood Shareholder include references to the person or persons executing a Form of Acceptance and, if more than one person executes the Form of Acceptance, the provisions of this paragraph 6 of this Part A shall apply to them jointly and severally.
- (i) HSQ reserves the right to notify any matter, including the making of the Offer, to all or any Kingswood Shareholders:
- (i) with a registered address outside the United Kingdom; or
 - (ii) whom HSQ knows to be a custodian, trustee or nominee holding Kingswood Shares for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom, by announcement in the United Kingdom through a Regulatory Information Service or in any other appropriate manner or by notice in the London Gazette or paid advertisement in one or more newspapers published and circulated in the United Kingdom. Such notice shall be deemed to have been sufficiently given, despite any failure by any such Kingswood Shareholder to receive or see that notice.
- (j) A reference in this document to a notice or the provision of information in writing by or on behalf of HSQ is to be construed accordingly. No such document shall be sent to an address in a Restricted Jurisdiction.

PART B: FORM OF ACCEPTANCE

This Part B applies only to Kingswood Shares held in certificated form. If you hold all of your Kingswood Shares in uncertificated form, you should ignore this Part B and instead read Part C of this Part III (*Further terms of the Offer and Acceptances*).

For the purposes of Part B of this Part III (*Further terms of the Offer and Acceptances*) and the Form of Acceptance, the phrase “**Kingswood Shares in certificated form comprised in the acceptance**” shall mean the number of Kingswood Shares inserted in Box 3A of the Form of Acceptance or, if no number is inserted (or a number greater than the relevant Kingswood Shareholder’s holding of Kingswood Shares), the greater of:

- the relevant Kingswood Shareholder’s entire holding of Kingswood Shares in certificated form as disclosed by details of the share register made available to the Receiving Agent prior to the time the relevant Form of Acceptance is processed by them;
- the relevant Kingswood Shareholder’s entire holding of Kingswood Shares in certificated form as disclosed by details of the share register made available to the Receiving Agent prior to the latest time for receipt of Form(s) of Acceptance on the Closing Date; and
- the number of Kingswood Shares in certificated form in respect of which certificates or an indemnity in lieu thereof is received.

Each Kingswood Shareholder by whom, or on whose behalf, a Form of Acceptance is executed and delivered to the Receiving Agent irrevocably undertakes, represents, warrants and agrees to and with HSQ and the Receiving Agent (so as to bind such Kingswood Shareholder and such Kingswood Shareholder’s personal or legal representatives, heirs, successors and assigns) to the following effect:

- (a) that the execution of the Form of Acceptance (whether or not any boxes are completed and whether or not the Form of Acceptance is validly executed as a deed) shall constitute:
 - (i) an acceptance of the Offer in respect of the number of Kingswood Shares in certificated form inserted or deemed to be inserted in Box 3A of the Form of Acceptance; and
 - (ii) an undertaking to execute any further documents, take any further action and give any further assurances which may be required to enable HSQ to obtain the full benefit of this Part B of this Part III (*Further terms of the Offer and Acceptances*) and/or to perfect any of the authorities expressed to be given hereunder and otherwise in connection with such Kingswood Shareholder’s acceptance of the Offer,

in each case on and subject to the terms set out or referred to in this document and in the form of Acceptance and that each such acceptance shall be irrevocable provided that if:

- (A) Box 3A or any other box is not completed; or
- (B) the total number of Kingswood Shares inserted in Box 3A is greater than the relevant Kingswood Shareholder’s holding of Kingswood Shares; or
- (C) the acceptance is otherwise completed incorrectly or the number included is illegible,

but the Form of Acceptance is signed, it will be deemed to be an acceptance of the Offer in respect of all of the Kingswood Shares in certificated form registered in that Kingswood Shareholder’s name;

- (b) that he or she is irrevocably and unconditionally entitled to sell and transfer the beneficial ownership of the Kingswood Shares comprised or deemed to be comprised in such acceptance and that such shares are sold fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and other interests of any nature whatsoever and together with all rights attaching to them on or after the date of this document, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, on or after the date of this document.

- (c) unless “NO” is put in Box 5 of the Form of Acceptance, that such Kingswood Shareholder:
- (i) has not, directly or indirectly, received or sent copies or originals of this document, the Form of Acceptance or any related offering documents in, into or from a Restricted Jurisdiction;
 - (ii) has not, in connection with the Offer or the execution or delivery of the Form of Acceptance, used, directly or indirectly, any means (including, without limitation, facsimile transmission email, telephone, internet or otherwise) of interstate or foreign commerce of, or any facility of a national securities exchange of any Restricted Jurisdiction;
 - (iii) is accepting the Offer from outside any Restricted Jurisdiction and was outside such jurisdictions when the Form of Acceptance was executed, mailed, sent or delivered;
 - (iv) is not acting on a non-discretionary basis for a principal as agent, fiduciary or otherwise unless such Kingswood Shareholder is an authorised employee of such principal or such principal has given all instructions with respect to the Offer from outside a Restricted Jurisdiction; and
 - (v) if an Overseas Shareholder, has observed the laws of the relevant jurisdiction in connection with the Offer, obtained all requisite governmental, exchange control and other required consents, complied with all necessary formalities and paid any issue, transfer or other taxes or other requisite payments due in any such jurisdiction in connection with such acceptance and has not taken or omitted to take any action that will or may result in HSQ or any other person acting on behalf of it being in breach of the legal or regulatory requirements of, or be liable for any issue, transfer or other taxes or duties or other payments in, any such jurisdiction in connection with the Offer or such Kingswood Shareholder’s acceptance thereof;
- (d) that, in relation to Kingswood Shares in certificated form, the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes the irrevocable and separate appointment of HSQ and any director of, or any person authorised by it as such shareholder’s attorney and/or agent (the “attorney”) and an irrevocable instruction and authorisation to the attorney to:
- (i) complete and execute all or any form(s) of transfer and/or other document(s) at the discretion of the attorney in relation to the Kingswood Shares in certificated form comprised in the acceptance in favour of HSQ or such other person or persons as HSQ or its agent may direct in connection with the acceptance of the Offer;
 - (ii) deliver such form(s) of transfer, renunciation and/or other document(s) in the attorney’s discretion and/or the certificate(s) and/or other document(s) of title relating to such Kingswood Shares for registration within six months of the Closing Date; and
 - (iii) execute all such other documents and do all such other acts and things as may, in the attorney’s opinion, be necessary or expedient for the purpose of, or in connection with, the acceptance of the Offer and to vest in HSQ (or its nominee) the full legal title and beneficial ownership of the Kingswood Shares in certificated form comprised in the acceptance;
- (e) that, in relation to Kingswood Shares in certificated form, the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes an irrevocable authority and request, subject to the provisions of paragraph 6 of Part A of this Part III (*Further terms of the Offer and Acceptances*):
- (i) to Kingswood and/or its agents to procure the registration of the transfer of the Kingswood Shares in certificated form comprised in the acceptance and the delivery of the share certificate(s) and/or other document(s) of title, or satisfactory indemnities, in respect of the Kingswood Shares to HSQ or as it may direct; and
 - (ii) to HSQ and the Receiving Agent or any of their respective agents to procure the despatch by post (or by such other method as the Panel may approve) of the cheque for the cash consideration to which an accepting Kingswood Shareholder is entitled to under the Offer, at the risk of such Kingswood Shareholder, to the person or agent whose name and address is set out in Box 1 of the Form of Acceptance (or Box 6 (if completed)) (outside a Restricted

Jurisdiction), or if no name or address is set out, to the first-named or sole holder at such holder's registered address (outside a Restricted Jurisdiction);

- (f) that the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes the giving of a separate authority to each of HSQ and the Receiving Agent and any director or agent of, or any person authorised by it as its agent and/or attorney within the terms set out in paragraph 4 of Part A of this Part III (*Further terms of the Offer and Acceptances*) in respect of the Kingswood Shares in certificated form comprised in the acceptance;
- (g) that, unless the Panel otherwise consents, in respect of Kingswood Shares in relation to which the Offer has been accepted or deemed to be accepted and pending registration in the name of HSQ or as it may direct:
 - (i) HSQ or its agents shall be authorised to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general meeting of Kingswood or of any class of its shareholders) attaching to the Kingswood Shares in certificated form comprised or deemed to be comprised in such acceptance; and
 - (ii) the execution of a Form of Acceptance by a Kingswood Shareholder shall constitute with regard to such Kingswood Shares in certificated form comprised in the acceptance:
 - (A) an irrevocable authority to Kingswood and its agents to send any notice, circular, warrant, document or other communication which may be required to be sent to such Kingswood Shareholder as a member of Kingswood (including any share certificate(s) or other document(s) of title) to HSQ at its registered office;
 - (B) an irrevocable authority to HSQ and the directors of and any other person authorised by HSQ, to sign any document and to do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Kingswood Shares held by such Kingswood Shareholder in certificated form (including, without limitation, signing any consent to short notice of a general or separate class meeting as such Kingswood Shareholder's attorney and/or agent and on such Kingswood Shareholder's behalf and/or to attend and/or execute a form of proxy in respect of such Kingswood Shares appointing any person nominated by HSQ to attend general and separate class meetings of Kingswood (and any adjournments thereof) and to exercise the votes attaching to such shares on such Kingswood Shareholder's behalf, where relevant); and
 - (C) the agreement of such Kingswood Shareholder not to exercise any of such rights without the consent of HSQ and the irrevocable undertaking of such Kingswood Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting of Kingswood,
- (h) that such Kingswood Shareholder will deliver to the Receiving Agent, or procure the delivery to the Receiving Agent at the address referred to in paragraph 4(c)(i) of Part A of this Part III (*Further terms of the Offer and Acceptances*) of, share certificate(s) or other document(s) of title in respect of those Kingswood Shares in certificated form comprised in the acceptance, or an indemnity acceptable to HSQ in lieu thereof, as soon as possible, and in any event so as to arrive by no later than the latest permissible time on the Closing Date;
- (i) that such Kingswood Shareholder is the sole legal and beneficial owner of the Kingswood Shares comprised or deemed to be comprised in such acceptance or is the legal owner of such Kingswood Shares and has the necessary capacity and authority to execute the Form of Acceptance;
- (j) that the terms and conditions of the Offer contained in this document shall be deemed to be incorporated in, and form part of, the Form of Acceptance which shall be read and construed accordingly;

- (k) that, if such Kingswood Shareholder accepts the Offer, they will do all such acts and things as shall be necessary or expedient to vest the Kingswood Shares in certificated form comprised in the acceptance in HSQ or its nominee(s) or such other persons as HSQ may decide;
- (l) that such Kingswood Shareholder agrees to ratify each and every act or thing which may be done or effected by HSQ the Receiving Agent or any of their respective directors or agents or persons authorised by them, as the case may be, in the exercise of any of any such person's powers and/or authorities under this document;
- (m) that the execution of the Form of Acceptance constitutes such Kingswood Shareholder's agreement to the terms of paragraphs 5(g) and 5(h) of Part A of this Part III (*Further terms of the Offer and Acceptances*);
- (n) that the Form of Acceptance shall be deemed to be delivered on its date of execution and shall take effect as a deed on such date;
- (o) that if any provision of Part A or Part B of this Part III (*Further terms of the Offer and Acceptances*) shall be unenforceable or invalid or shall not operate so as to afford HSQ, or the Receiving Agent or any of their respective directors, agents or persons authorised by them, the benefit or authority expressed to be given therein, such Kingswood Shareholder shall, with all practicable speed, do all such acts and things and execute all such documents as may be required to enable HSQ, and/or the Receiving Agent and any of their respective directors, agents or persons authorised by them to secure the full benefits of Part A or Part B of this Part III (*Further terms of the Offer and Acceptances*).

References in this Part B to a Kingswood Shareholder shall include references to the person or persons executing a Form of Acceptance, and in the event of more than one person executing a Form of Acceptance, the provisions of this Part B shall apply to them jointly and to each of them.

PART C: ELECTRONIC ACCEPTANCE

This Part C applies only to Kingswood Shares held in uncertificated form, that is in CREST. If you hold all of your Kingswood Shares in certificated form, you should ignore this Part C and instead read Part B of this Part III (*Further terms of the Offer and Acceptances*).

For the purposes of this Part C of this Part III (*Further terms of the Offer and Acceptances*), the phrase “**Kingswood Shares in uncertificated form comprised in the acceptance**” shall mean the number of Kingswood Shares which are transferred by the relevant Kingswood Shareholder by Electronic Acceptance to an escrow account by means of a TTE instruction.

Each Kingswood Shareholder by whom, or on whose behalf, an Electronic Acceptance is made irrevocably undertakes, represents, warrants and agrees to and with HSQ and the Receiving Agent (so as to bind such Kingswood Shareholder and such Kingswood Shareholder’s personal or legal representatives, heirs, successors and assigns) to the following effect:

- (a) that the Electronic Acceptance shall constitute:
 - (i) an acceptance of the Offer in respect of the number of Kingswood Shares in uncertificated form to which a TTE instruction relates; and
 - (ii) an undertaking to execute any documents, take any further action and give any further assurances which may be required to enable HSQ to obtain the full benefit of this Part C of this Part III (*Further terms of the Offer and Acceptances*) and/or to perfect any of the authorities expressed to be given hereunder and otherwise in connection with his acceptance of the Offer,in each case on and subject to the terms set out or referred to in this document and that each such acceptance and election shall be irrevocable;
- (b) that such Kingswood Shareholder:
 - (i) has not, directly or indirectly, received or sent copies or originals of this document, the Form of Acceptance or any related offering documents, in, into or from a Restricted Jurisdiction;
 - (ii) has not otherwise used in connection with the Offer, directly or indirectly, any means (including, without limitation, facsimile transmission email, TTE instruction, telephone, internet or otherwise) of interstate or foreign commerce of, or any facility of a national securities exchange of any Restricted Jurisdiction;
 - (iii) is accepting the offer from outside any Restricted Jurisdiction and was outside those jurisdictions at the time of the input and settlement of the relevant TTE instruction(s);
 - (iv) in respect of the Kingswood Shares to which an Electronic Acceptance relates, is not acting on a non-discretionary basis for a principal as agent, fiduciary or otherwise, unless such Kingswood Shareholder is an authorised employee of such principal or such principal has given all instructions with respect to the Offer from outside a Restricted Jurisdiction; and
 - (v) if an Overseas Shareholder, has observed the laws of the relevant jurisdiction, obtained all requisite governmental, exchange control and other required consents, complied with all necessary formalities and paid any issue, transfer or other taxes or other requisite payments due in any such jurisdiction in connection with such acceptance and has not taken or omitted to take any action that will or may result in HSQ or any other person acting on behalf of them being in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or such Kingswood Shareholder’s acceptance thereof;
- (c) that the Electronic Acceptance constitutes the irrevocable appointment of HSQ, and any director of, or any person authorised by it as such Kingswood Shareholder’s attorney and/or agent and an irrevocable instruction and authorisation to the attorney to execute all such documents and do all such acts and things as may in the attorney’s opinion be necessary or expedient for the purpose of, or in

connection with, the acceptance of the Offer and to vest in HSQ (or its nominee) the full legal title and beneficial ownership of Kingswood Shares in uncertificated form comprised in the acceptance;

- (d) that the Electronic Acceptance constitutes the irrevocable appointment of the Receiving Agent as escrow agent for the purposes of the Offer and an irrevocable instruction and authorisation to transfer to HSQ (or to such other person or persons as HSQ or its agents may direct) by means of CREST all or any of the Kingswood Shares in uncertificated form which are subject of a TTE instruction in respect of that Electronic Acceptance.
- (e) that the Electronic Acceptance constitutes an irrevocable authority and request to HSQ, the Receiving Agent or their respective agents to procure the making of a CREST payment obligation in favour of the Kingswood Shareholder's payment bank in accordance with the CREST payment arrangements in respect of any cash consideration to which such shareholder is entitled under the Offer, provided that:
 - (i) HSQ may (if, for reasons, outside its reasonable control, it is not able to effect settlement through CREST) determine that all or any part of any such cash consideration shall be paid by cheque despatched by post; and
 - (ii) if the Kingswood Shareholder concerned is a CREST member whose registered address is in a Restricted Jurisdiction, any cash consideration to which such shareholder is entitled may be paid by cheque despatched by post,

in any case at the risk of such Kingswood Shareholder, and such cheque shall be despatched to the first named holder at such holder's registered address outside a Restricted Jurisdiction or as otherwise determined by HSQ;

- (f) that the Electronic Acceptance constitutes the giving of a separate authority to each of HSQ and the Receiving Agent and their respective directors, agents and authorised persons within the terms of paragraph 4 of Part A of this Part III (Further terms of the Offer and Acceptances) in respect of the Kingswood Shares in uncertificated form comprised in the acceptance;
- (g) that, unless the Panel otherwise consents, in respect of Kingswood Shares in relation to which the Offer has been accepted or deemed to be accepted and pending registration in the name of HSQ or as it may direct:
 - (i) HSQ and its agents shall be authorised to direct the exercise of any votes and any or all other rights and privileges (including the right to requisition the convening of a general meeting of Kingswood or of any class of its shareholders) attaching to the Kingswood Shares in uncertificated form comprised or deemed to be comprised in the acceptance; and
 - (ii) an Electronic Acceptance by a Kingswood Shareholder shall constitute with regard to such Kingswood Shares in uncertificated form comprised in the acceptance:
 - (A) an authority to Kingswood and its agents to send any notice, circular, warrant, document or other communication which may be required to be sent to such Kingswood Shareholder as a member of Kingswood (including any share certificate(s) or other document(s) of title issued as a result of a conversion of such Kingswood Shares into certificated form) to HSQ at its registered office;
 - (B) an irrevocable authority to each of HSQ and the directors of and any other person authorised by HSQ to sign any document and to do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the Kingswood Shares held by such Kingswood Shareholder in uncertificated form (including, without limitation, signing any consent to short notice of a general or separate class meeting as such Kingswood Shareholder's attorney and/or agent and on such Kingswood Shareholder's behalf and/or to attend and/or execute a form of proxy in respect of such Kingswood Shares appointing any person nominated by HSQ to attend general and

separate class meetings of Kingswood (and any adjournments thereof) and to exercise the votes attaching to such shares on such Kingswood Shareholder's behalf); and

- (C) the agreement of such Kingswood Shareholder not to exercise any of such rights without the consent of HSQ and the irrevocable undertaking of such Kingswood Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;
- (h) that such Kingswood Shareholder is irrevocably and unconditionally entitled to sell and transfer the beneficial ownership of the Kingswood Shares comprised or deemed to be comprised in such acceptance and that such shares are sold fully paid up and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights now or hereafter attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid or any other return of value on or after the date of this document;
- (i) that such Kingswood Shareholder is the sole legal and beneficial owner of the Kingswood Shares in uncertificated form in respect of which the Offer is accepted or deemed to be accepted or is the legal owner of such Kingswood Shares and has the necessary capacity and authority to effect an Electronic Acceptance;
- (j) that such Kingswood Shareholder will do all such acts and things as shall, in the opinion of HSQ, be necessary or expedient to vest in HSQ (or its nominee(s)) the full legal title and beneficial ownership of the Kingswood Shares in uncertificated form comprised or deemed to be comprised in the acceptance and to enable the Receiving Agent to perform its function as escrow agent for the purposes of the Offer;
- (k) that such Kingswood Shareholder agrees to ratify each and every act or thing which may be done or effected by HSQ or the Receiving Agent or any of their respective directors, agents or persons authorised by them, as the case may be, in the exercise of any of such person's powers and/or authorities under this document;
- (l) that if, for any reason, any Kingswood Shares in respect of which a TTE instruction has been effected in accordance with paragraph 15(b) of Part I (Letter from HSQ Investment Limited) of this document are converted to certificated form, such Kingswood Shareholder will (without prejudice to paragraph (g)(ii)(A) of this Part C) immediately deliver, or procure the immediate delivery of, the share certificate(s) or other document(s) of title in respect of all such Kingswood Shares as so converted to the Receiving Agent at the address referred to in paragraph 4(c)(i) of Part A of this Part III (Further terms of the Offer and Acceptances) or to HSQ at its registered office or as HSQ or its agents may direct; and such Kingswood Shareholder shall be deemed upon conversion to undertake, represent, warrant and agree in the terms set out in Part B of this Part III (Further terms of the Offer and Acceptances) in relation to such Kingswood Shares without prejudice to the application of this Part C of Part III (Further terms of the Offer and Acceptances) as far as HSQ deems appropriate;
- (m) that the creation of a CREST payment obligation in favour of such Kingswood Shareholder's payment bank in accordance with the CREST payment arrangements referred to in paragraph ((e)) of this Part C shall, to the extent of the obligation so created, discharge in full any obligation of HSQ or the Receiving Agent to pay such Kingswood Shareholder the cash consideration to which they are entitled pursuant to the Offer;
- (n) that the making of an Electronic Acceptance constitutes such Kingswood Shareholder's agreement to the terms of paragraphs 5(f) and 5(g) of Part A of this Part III (Further terms of the Offer and Acceptances);
- (o) that, by virtue of Regulation 24 of the Uncertificated Securities Regulations 2001, the making of an Electronic Acceptance constitutes an irrevocable power of attorney by the relevant Kingswood Shareholder in the terms of all the powers and authorities expressed to be given by Part A, Part B (where applicable by virtue of paragraph (I) of this Part C) and this Part C of this Part III (Further

terms of the Offer and Acceptances) to HSQ, the Receiving Agent, and any of their respective directors or agents; and

- (p) that if any provision of Part A or this Part C of this Part III (Further terms of the Offer and Acceptances) shall be unenforceable or invalid or shall not operate so as to afford HSQ or the Receiving Agent or any of their respective directors, agents or persons authorised by them, the benefit or authority expressed to be given therein, such Kingswood Shareholder shall, with all practicable speed, do all such acts and things and execute all such documents that may be required to enable HSQ or the Receiving Agent or any of their respective directors, agents or persons authorised by them to secure the full benefits of Part A or this Part C of this Part III (*Further terms of the Offer and Acceptances*).

References in this Part C to a Kingswood Shareholder shall include references to the person or persons making an Electronic Acceptance and, if more than one makes an Electronic Acceptance, the provisions of this Part C shall apply to them jointly and to each of them.

PART IV

FINANCIAL AND RATINGS INFORMATION

Part A: Financial information relating to Kingswood

The following sets out financial information in respect of Kingswood as required by Rule 24.3 of the Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Code:

- the interim results of Kingswood for the six months ended 30 June 2024, available on Kingswood's website at <https://www.kingswood-group.com>;
- the audited accounts of Kingswood for the financial year ended 31 December 2023, available on Kingswood's website at <https://www.kingswood-group.com>; and
- the audited accounts of Kingswood for the financial year ended 31 December 2022 set out on pages 42-96 of the 2022 Kingswood Annual Report, available on Kingswood's website at <https://www.kingswood-group.com>.

The above documents are available, free of charge, in "read-only" format and can be printed from the web addresses detailed above. Hard copies of any documents or information incorporated by reference into this document will not be provided unless such a request is made.

There are no current ratings or outlooks publicly accorded to Kingswood.

Save as expressly referred to herein, neither the content of Kingswood's website, nor the content of any website accessible from hyperlinks on Kingswood's website, is incorporated into, or forms part of, this document.

Part B: Financial information relating to HSQ

The following sets out financial information in respect of HSQ as required by Rule 24.3 of the Code. The documents referred to below are incorporated into this document by reference pursuant to Rule 24.15 of the Code:

- the unaudited financial statements of HSQ for the financial year ended 30 December 2023, available on HSQ website at <https://arena.pollencap.com>; and
- the unaudited financial statements of HSQ for the financial year ended 31 December 2022, available on HSQ website at <https://arena.pollencap.com>.

The above documents are available, free of charge, in "read-only" format and can be printed from the web addresses detailed above. Hard copies of any documents or information incorporated by reference into this document will not be provided unless such a request is made.

There are no current ratings or outlooks publicly accorded to HSQ.

Save as expressly referred to herein, neither the content of HSQ's website, nor the content of any website accessible from hyperlinks on HSQ's website, is incorporated into, or forms part of, this document.

PART V

ADDITIONAL INFORMATION

PART A: ADDITIONAL INFORMATION ON HSQ AND KINGSWOOD

1. Responsibility

- (a) The HSQ Directors, whose names are set out in paragraph 2(a) of this Part A of Part V (*Additional Information*), accept responsibility for all the information contained in this document (including for any expressions of opinion of HSQ or of the HSQ Directors and for any information relating to HSQ's future intentions for Kingswood), except for that information for which the Kingswood Directors accept responsibility under paragraph 1(b) below or for which the Independent Kingswood Directors accept responsibility under paragraph 1(c) below. To the best of the knowledge and belief of the HSQ Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document (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 that information.
- (b) The Kingswood Directors, whose names are set out in paragraph 2(b) of this Part A of Part V (*Additional Information*), accept responsibility for all the information contained in this document (including for any expressions of opinion) in relation to Kingswood, except for that information for which the HSQ Directors accept responsibility under paragraph 1(a) above or for which the Independent Kingswood Directors accept responsibility under paragraph 1(c) below. To the best of the knowledge and belief of the Kingswood Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document (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 that information.
- (c) The Independent Kingswood Directors, whose names are set out in paragraph 2(c) of this Part A of Part V (*Additional Information*), accept responsibility for the information set out in Part II (*Letter from the Chairman*) that relates to the views and opinions of the Independent Kingswood Directors. To the best of the knowledge and belief of the Independent Kingswood Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document (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 that information.

2. HSQ Directors, the Kingswood Directors and the Independent Kingswood Directors

- (a) The HSQ Directors and their respective positions are set out below:

Duncan Gerard	<i>Director of HSQ</i>
Lindsey McMurray	<i>Director of HSQ</i>

The registered office of HSQ and the business address of the HSQ Directors is 11-12 Hanover Square, London, United Kingdom, W1S 1JJ.

- (b) The Kingswood Directors and their respective functions are:

David Hudd	<i>Non-Executive Chairman</i>
Peter Coleman	<i>Chief Executive Officer</i>
Jonathan Freeman	<i>Non-Executive Director</i>
Duncan Gerard	<i>Non-Executive Director</i>
Gemma Godfrey	<i>Non-Executive Director</i>
Lindsey McMurray	<i>Non-Executive Director</i>
Jane Millar	<i>Non-Executive Director</i>

The registered office of Kingswood, which is also the business address of each of the Kingswood Directors, is Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH.

(c) The Independent Kingswood Directors and their respective functions are:

David Hudd	<i>Non-Executive Chairman</i>
Peter Coleman	<i>Chief Executive Officer</i>
Jonathan Freeman	<i>Non-Executive Director</i>
Gemma Godfrey	<i>Non-Executive Director</i>
Jane Millar	<i>Non-Executive Director</i>

The registered office of Kingswood, which is also the business address of each of the Independent Kingswood Directors, is Mont Crevelt House, Bulwer Avenue, St. Sampson, Guernsey, GY2 4LH.

3. Market Quotations

The following table shows the closing price for Kingswood Shares on the London Stock Exchange on: (a) 11 March 2025, being the last Business Day prior to the commencement of the Offer Period; (b) the first Business Day of each of the six months immediately before the date of this document; and (c) as at 24 March 2025, being the last Business Day prior to publication of this document.

<i>Date</i>	<i>Kingswood Share Price (in pence)</i>
24 March 2025	6.75p
11 March 2025	8.5p
3 March 2025	9p
3 February 2025	10p
2 January 2025	10p
2 December 2024	12p
1 November 2024	13p
1 October 2024	12p

4. Interests and Dealings in Relevant Securities

Definitions Used in this Section

For the purposes of this paragraph 4:

“**acting in concert**” has the meaning given to it in the Code;

“**connected adviser**” has the meaning given to it in the Code;

“**connected person**” in relation to a director of Kingswood or HSQ includes: (a) such director’s spouse or civil partner and children or step-children under the age of 18; (b) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (a); (c) any company in which such director and/or any person mentioned in (a) or (b) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and (d) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act 2006;

“**control**” means an interest, or interests, in shares carrying in aggregate 30% or more of the voting rights (as defined in the Code) of a company, irrespective of whether such interest(s) give(s) de facto control;

“**dealing**” has the meaning given to it in the Code and “**dealt**” has the corresponding meaning;

“**derivative**” has the meaning given to it in the Code;

“**Disclosure Date**” means the close of business on 24 March 2025;

“**Disclosure Period**” means the period commencing on 12 March 2024 (being the date 12 months prior to the date of commencement of the Offer Period) and ending as at the Disclosure Date;

“**exempt fund manager**” and “**exempt principal trader**” have the meanings given to them in the Code;

“**financial collateral arrangements**” are arrangements of the kind referred to in Note 3 on Rule 4.6 of the Code;

“**interest**” in relevant securities has the meaning given to it in the Code;

“**Note 11 arrangement**” means a dealing arrangement including any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;

“**Offer Period**” means the offer period (as defined by the Code) relating to Kingswood, which commenced on 12 March 2025;

“**relevant HSQ securities**” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeror) of HSQ including equity share capital of HSQ (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof;

“**relevant Kingswood securities**” means relevant securities (such term having the meaning given to it in the Takeover Code in relation to an offeree) of Kingswood including equity share capital of Kingswood (or derivatives referenced thereto) and securities convertible into, rights to subscribe for and options (including traded options) in respect thereof; and

“**short position**” means any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery.

5. Interests in Relevant Securities of Kingswood

Kingswood Directors

- (a) As at the Disclosure Date, the interests of the Kingswood Directors (and their close relatives, related trusts and connected persons) in Kingswood were as follows:

<i>Director</i>	<i>Number of Kingswood Shares</i>	<i>% of Voting Rights</i>
David Hudd	650,000	0.09
Jonathan Freeman	87,750	0.01

- (b) As at the Disclosure Date, the Kingswood Directors held no outstanding options or awards over Kingswood Shares under the Kingswood share plans.

HSQ

- (a) As at the Disclosure Date, HSQ had the following interests in securities of Kingswood:

<i>Name</i>	<i>Nature of interest</i>	<i>Number of Kingswood Shares interested in</i>	<i>Interest as a percentage of issued Kingswood Shares</i>
HSQ	Owner of Kingswood Shares	613,388,553	89.39%

- (b) As at the Disclosure Date, the HSQ Directors (and their close relatives, related trusts and connected persons) did not hold any interests in, or rights to subscribe in respect of, relevant Kingswood securities.

- (c) Save as disclosed in paragraph (a) and (b) above, as at the Disclosure Date neither HSQ, nor any HSQ Director, nor, so far as HSQ is aware, any person acting in concert with any of them nor any person with whom it or any person acting in concert with any of them has a Note 11 arrangement has: (i) any interest in or right to subscribe for any relevant Kingswood securities; (ii) any short positions in

respect of relevant Kingswood securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; or (iii) borrowed or lent any relevant Kingswood securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code).

- (d) As at the Disclosure Date, other than as disclosed in paragraph 5 (a) above, no person acting in concert with Kingswood held any interests in, or rights to subscribe in respect of, relevant Kingswood securities.
- (e) As at the Disclosure Date, none of the Kingswood Directors held any interests in, or rights to subscribe in respect of, HSQ securities.
- (f) During the Offer Period, neither Kingswood, the Kingswood Directors nor any person acting in concert with the foregoing, has dealt in HSQ securities.
- (g) Save as disclosed above, as at the Disclosure Date, so far as Kingswood is aware, neither any person acting in concert with it, nor any person with whom Kingswood or any person acting in concert with Kingswood has a Note 11 arrangement has: (i) any interest in or right to subscribe for any relevant Kingswood securities; (ii) any short positions in respect of relevant Kingswood securities (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery; or (iii) borrowed or lent any relevant Kingswood securities (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code).

6. Interests and Dealings – General

- (a) Save as disclosed in paragraph 5 above as at the Disclosure Date:

- (i) no member of the Wider HSQ Group had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any agreement to sell or any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Kingswood securities, nor, save as set out below, has any member of the Wider HSQ Group dealt in any relevant Kingswood securities during the Disclosure Period;

<i>Date of Dealing</i>	<i>Party Dealing</i>	<i>Number of Shares</i>	<i>Nature of Dealing</i>	<i>Price per Share (GBP)</i>	<i>Currency</i>	<i>On Exchange/ Off Exchange</i>
31 May 2024	HSQ	469,263,291	Conversion of preference shares	16.5p	GBP	Off exchange
13 March 2025	HSQ	144,125,262	Acquisition of Kingswood Shares	7p	GBP	Off exchange

- (ii) none of the HSQ Directors had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any agreement to sell or any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Kingswood securities, nor has any such person dealt in any relevant Kingswood securities during the Disclosure Period;
- (iii) so far as HSQ is aware, no person deemed to be acting in concert with HSQ had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to any, or had any agreement to sell or any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Kingswood securities, nor has any such person dealt in any relevant Kingswood securities during the Disclosure Period;
- (iv) so far as HSQ is aware, no person that has a Note 11 arrangement with HSQ or (so far as HSQ is aware) any person acting in concert with HSQ had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any agreement to sell or any delivery obligation or any right to require another person to purchase

- or take delivery of, any relevant Kingswood securities, nor has any such person dealt in any relevant Kingswood securities during the Disclosure Period;
- (v) neither HSQ nor (so far as HSQ is aware) any person acting in concert with it, has borrowed or lent any relevant Kingswood securities, save for any borrowed shares which have been either on-lent or sold;
 - (vi) neither HSQ nor (so far as HSQ is aware) any person acting in concert with it has any Note 11 arrangement with any other person.
- (b) Save as disclosed in paragraph 5 above, as at the Last Practicable Date:
- (i) no member of the Wider Kingswood Group had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any agreement to sell or any delivery obligation or any right to require another person to purchase or take delivery of, any relevant HSQ securities, nor has any such person dealt in any relevant HSQ securities during the Offer Period;
 - (ii) none of the Kingswood Directors had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any agreement to sell or any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Kingswood securities or relevant HSQ securities, nor has any such person dealt in any relevant Kingswood securities or relevant HSQ securities during the Offer Period;
 - (iii) so far as Kingswood is aware, no person deemed to be acting in concert with Kingswood had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any agreement to sell or any delivery obligation or any right to require another person to purchase or take delivery of, any relevant Kingswood securities, nor has any such person dealt in any relevant Kingswood securities during the Offer Period; and
 - (iv) no person who has a Note 11 arrangement with Kingswood or (so far as Kingswood is aware) any person acting in concert with Kingswood had any interest in, right to subscribe in respect of, or any short position (under a derivative or otherwise) in relation to, or had any delivery obligation or any right to require another person to take delivery of, any relevant Kingswood securities, nor has any such person dealt in any relevant Kingswood securities during the Offer Period.
- (c) Neither Kingswood, nor any person acting in concert with Kingswood has borrowed or lent any relevant Kingswood securities, save for any borrowed shares which have been either on-lent or sold.
- (d) Neither Kingswood nor (so far as Kingswood is aware) any person acting in concert with it has any Note 11 arrangement with any other person.
- (e) Save for David Hudd, Jonathan Freeman, Gary Wilder and Jonathan Massing no persons have given any irrevocable or other commitment to vote in favour of the Offer.
- (f) Save as disclosed in this Document, none of: (i) HSQ or any person acting in concert with HSQ; or (ii) Kingswood or any person acting in concert with Kingswood, has, in either case, any Note 11 arrangement in relation to relevant securities.
- (g) Save as disclosed in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between HSQ or any person acting in concert with it and any of the Kingswood Directors or the recent directors, shareholders or recent shareholders of Kingswood, or any person interested or recently interested in Kingswood Shares, having any connection with or dependence upon or which is conditional upon the Offer.

- (h) Save as disclosed in this document, there is no agreement, arrangement or understanding whereby the beneficial ownership of any Kingswood Shares to be acquired by HSQ pursuant to the Offer will be transferred to any other person, however HSQ reserves the right to transfer any such shares to any member of the Wider HSQ Group.
- (i) No relevant Kingswood securities have been redeemed or purchased by Kingswood during the Disclosure Period.

7. Irrevocable Undertakings

- (a) HSQ has procured irrevocable undertakings from the Kingswood Directors who hold Kingswood Shares to accept (or procure the acceptance of, as applicable) the Offer. Such irrevocable undertakings are in respect of the following relevant Kingswood securities:

<i>Name of Kingswood Director</i>	<i>Number of Kingswood Shares in respect of which undertaking is given</i>	<i>Percentage of Kingswood issued share capital in respect of which undertaking is given as at the Last Practicable Date (%)</i>
David Hudd	650,000	0.09
Jonathan Freeman	87,750	0.01

- (b) These irrevocable undertakings concern 737,750 Kingswood Shares (representing, in aggregate, approximately 0.11% of the Kingswood Shares as at the Last Practicable Date).
- (c) These irrevocable undertakings include undertaking to:
 - (i) accept the Offer;
 - (ii) not to sell, transfer, charge, grant any option or other right over or otherwise dispose of or deal (directly or indirectly and whether beneficially, legally or otherwise) in the relevant Kingswood Shares or any interest in all or any of them or permit any dealing, nor enter into any agreement or arrangement (whether conditional or not) to deal, nor accept (or permit to be accepted) any offer in respect of all or any of such Kingswood Shares, save with consent of Kingswood;
 - (iii) continue to have full power and authority to enter into and perform the irrevocable undertaking in accordance with its terms;
 - (iv) if required by HSQ, return a duly executed Form of Proxy in respect of the relevant Kingswood Shares (if certificated), or in the case of uncertificated shares, to take any action that may be required by HSQ to make a valid proxy appointment and give valid CREST proxy instructions;
 - (v) execute all such documents, acts and things as may be necessary and desirable to be executed in connection with their obligations under the irrevocable undertaking.
- (d) In addition to the irrevocable undertakings given by the Independent Kingswood Directors listed above, HSQ has also received irrevocable undertakings from Gary Wilder and Jonathan Massing in respect of 1,115,001 and 350,000 Kingswood Shares respectively (representing, in aggregate, approximately 0.21% of the Kingswood Shares as at the Last Practicable Date).
- (e) HSQ has therefore received indications of support to accept, or to procure the acceptance of, the Offer in respect of a total of 2,202,751 Kingswood Shares, representing, in aggregate, approximately 0.32% of the Kingswood Shares as at the Last Practicable Date. Together with the Kingswood Shares already held by HSQ, this represents approximately 89.71% of the Kingswood Shares as at the Last Practicable Date.

8. Service Contracts and Letters of Appointment of Kingswood Directors

Certain details of the Kingswood Directors' service contracts, letters of appointment and the terms of their appointment with a member of the Kingswood Group are set out below.

(a) *Group Executive Director*

Peter Coleman entered into a service agreement with KW Wealth Group Limited as summarised below.

Peter Coleman was initially appointed interim Chief Executive Officer of the Group on 4 July 2024 under a fixed term contract of employment dated 4 July 2024 ("*PC Interim Service Agreement*").

The PC Interim Service Agreement had an effective date of appointment of 4 July 2024 and was for a term of six months. The notice provision was for either party to give one months' notice unless there was an agreement to waive this. Immediate termination was also possible in certain circumstances. The salary was at a rate of £25,000 per month with an annual discretionary bonus.

Peter Coleman's employment and appointment as Chief Executive Officer was made permanent under the terms of a service agreement dated 9 January 2025 ("*PC Service Agreement*") which was effective from 10 January 2025. The PC Service Agreement replaced the PC Interim Service Agreement.

Under the PC Service Agreement, either party may terminate the appointment by giving the other party six months' notice. Peter Coleman's employment under the PC Service Agreement will terminate: (i) by either party giving the other not less than six months' notice, or (ii) with immediate effect by KW Wealth Group Limited in specific circumstances such as where Peter Coleman commits any serious or repeated breach of the PC Service Agreement or is guilty of any gross misconduct. In addition, the PC Service Agreement enables KW Wealth Group Limited to terminate Peter Coleman's employment with immediate effect by making a payment equivalent to his basic salary in lieu of notice or in lieu of any unexpired part of his notice.

Peter Coleman's base salary under the PC Service Agreement is GBP 300,000 per year. Salary is subject to annual review in January, with any changes taking effect from 1 January each year. There is no right to an increase in salary. Peter Coleman is entitled to participate in Kingswood's discretionary annual bonus scheme. There is no contractual right to receive a bonus. Peter Coleman is entitled to an employer pension contribution of 10% of basic salary or a salary adjustment of 10% in lieu of the pension contribution.

Under the PC Service Agreement, Kingswood will reimburse Peter Coleman for all fair and reasonable travel and accommodation expenses he incurs in performing his duties. He is entitled to 30 days' paid holiday in each complete holiday year, in addition to usual public holidays in England and Wales. Peter Coleman is subject to post-termination restrictions for a period of 6 months after termination (reduced by any period of garden leave), in particular a non-compete, non-solicit and non-deal restrictive covenants.

(b) *Kingswood Non-Executive Directors*

Jane Millar and Gemma Godfrey entered into letters of appointment dated 8 September 2022 and were each appointed on 6 October 2022. Jonathan Freeman entered into a letter of appointment dated 5 August 2018. David Hudd was appointed as Group Chairman on 26 July 2021 and has not entered into definitive contractual documentation regarding his position as Group Chairman. Lindsey McMurray and Duncan Gerard are Pollen Street appointees and have not entered into agreements regarding their position as non-executive Directors of Kingswood. Lindsey McMurray and Duncan Gerard were appointed on 16 December 2019 and 1 December 2023 respectively. Lindsey McMurray and Duncan Gerard are not remunerated for these positions and their appointments are terminable on reasonable notice (as no contractual notice period applies).

The content of Jonathan Freeman, Jane Millar and Gemma Godfrey's (together the "Contracted non-executive Kingswood Directors") letters of appointment are materially the same as summarised in this section.

David Hudd is engaged on implied terms and conditions which mirror the material provisions of the letters of appointment for Jane Millar and Gemma Godfrey, summarised below. The appointment of each Contracted non-executive Kingswood Director is subject to their continued satisfactory performance and any relevant statutory provisions relating to the removal of a director.

Jane Millar and Gemma Godfrey are appointed for an initial term of three years which commenced on 6 October 2022, unless terminated earlier by either party and is subject to confirmation by the Board and re-election at annual general meetings of Kingswood. If not re-elected, they are retired from office under the articles of association of Kingswood or any relevant statutory provision, their appointment will terminate automatically with immediate effect and without compensation.

Jonathan Freeman and David Hudd have been appointed for an indefinite term until terminated by either party. Jonathan Freeman is subject to post-termination restrictive covenants for periods of six to twelve months after termination including non-compete, non-solicit and non-deal restrictions.

Gemma Godfrey and Jane Millar's appointments are terminable by either party on one months' written notice. Jonathan Freeman's appointment is terminable by either party on six months' written notice.

Each of Jane Millar, Jonathan Freeman and Gemma Godfrey are entitled to a salary of £40,000 per annum. David Hudd is entitled to a salary of £75,000 per annum.

Each of the non-executive Kingswood Directors is subject to customary post-termination confidentiality obligations.

Gemma Godfrey and Jane Millar's appointment is also terminable by Kingswood with immediate effect in materially similar circumstances which may include if the non-executive Kingswood Director: (i) commits a material breach of their obligations under their letter of appointment, or is guilty of any gross misconduct affecting any Group company; (ii) commits a serious or repeated breach or non-observance of their obligations to Kingswood, including a breach of their duties to Kingswood, whether statutory, fiduciary or owed at common-law; (iii) is guilty of any fraud or dishonesty or has acted in a manner which, in the reasonable opinion of Kingswood, brings or is likely to bring the non-executive Kingswood Director or Kingswood into disrepute or is materially adverse to the interests of Kingswood; (iv) is convicted of an arrestable criminal offence (other than an offence under road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed); (v) is declared bankrupt or has made an arrangement with or for the benefit of their creditors; (vi) or is disqualified from acting as a director; or (vii) not complied with Kingswood's anti-corruption and bribery policy and procedures and/or the Bribery Act 2010. Jonathan Freeman's letter of appointment does not include any termination provisions bar the requirement for 6 months' notice and there is no provision for immediate termination.

The Contracted non-executive Kingswood Directors are entitled to reimbursement of reasonable and properly documented expenses incurred by them in the performance of their duties, in accordance with and subject to any policy in place from time to time. In circumstances where it is appropriate for a non-executive Kingswood Director to seek advice from independent advisers at Kingswood's expense, Kingswood will reimburse the reasonable cost of expenditure incurred by the non-executive Kingswood Director in accordance with its policy and subject to applicable laws.

(c) ***Other Service Contracts***

Save as disclosed above for the Group Executive Director, there are no service contracts or letters of appointment, between any Kingswood Director or proposed director of Kingswood and any member of the Kingswood Group and no such contract or letter of appointment has been entered into or amended within the six months preceding the date of this document.

9. Kingswood Material Contracts

Save as set out below, neither Kingswood nor any of its subsidiaries has, during the period beginning on 12 March 2023 (being two years before the commencement of the Offer Period) and ending on the Last Practicable Date, entered into any material contract otherwise than in the ordinary course of business. The following contracts, not being contracts entered into in the ordinary course of business, and which are or may be material, have been entered into by Kingswood or its subsidiaries in the period beginning on 12 March 2023 and ending on the Last Practicable Date.

(a) *Intercompany Loan Agreements*

- (i) Kingswood entered into a loan agreement on 16 February 2024 in relation to a £8,000,000 term loan made by HSQ, repayable on 17 October 2030. The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and HSQ can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. HSQ does not receive the benefit of security under the terms of the loan agreement.

- (ii) Kingswood entered into a loan agreement on 3 May 2024 in relation to a £3,000,000 term loan made by Pollen Street Limited (“PSL”).

The loan is repayable on earliest of:

- (1) 29 October 2030;
- (2) the date of the sale of more than 50% of the shares in the capital of Kingswood, or the sale or other disposal of the whole or substantially the whole of the business or assets of Kingswood and its subsidiaries taken together, to any person that is not a shareholder of the Kingswood on the date of the loan agreement (an “Exit”); and
- (3) the date of the sale (directly or indirectly) of any of Kingswood’s business, assets or undertakings, undertaken in one or a series of transactions to any person that is not a shareholder of Kingswood on the date of the loan agreement (a “Partial Exit”),

subject to that following the Reorganisation Date (as defined in the senior facility agreement made between, among others, Kingswood, KW UK Financial Holdings Limited, BlackRock EMMPD III Unlevered (Investment) S.à r.l., and Global Loan Agency Services Limited on 17 October 2022 as amended from time to time (the “Senior Facility Agreement”)) the loan shall only become repayable if:

- (1) all amounts outstanding under any Facility (as defined in the Senior Facility Agreement) have been repaid in full; or
- (2) the Majority Lenders (as defined in the Senior Facilities Agreement) have agreed in writing with PSL that such repayment may occur.

The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and PSL can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. PSL does not receive the benefit of security under the terms of the loan agreement.

- (iii) Kingswood entered into a loan agreement on 14 August 2024 in relation to a £6,000,000 term loan made by PSL.

The loan is repayable on earliest of:

- (1) 29 October 2030;
- (2) the date of an Exit; and
- (3) the date of a Partial Exit,

subject to that following the Reorganisation Date (as defined in the Senior Facility Agreement) the loan shall only become repayable if:

- (1) all amounts outstanding under any Facility (as defined in the Senior Facility Agreement) have been repaid in full; or
- (2) the Majority Lenders (as defined in the Senior Facilities Agreement) have agreed in writing with PSL that such repayment may occur.

The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and PSL can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. PSL does not receive the benefit of security under the terms of the loan agreement.

- (iv) Kingswood entered into a loan agreement on 30 October 2024 in relation to a £4,000,000 term loan made by PSL.

The loan is repayable on earliest of:

- (1) 29 October 2030;
- (2) the date of an Exit; and
- (3) the date of a Partial Exit,

subject to that following the Reorganisation Date (as defined in the Senior Facility Agreement) the loan shall only become repayable if:

- (1) all amounts outstanding under any Facility (as defined in the Senior Facility Agreement) have been repaid in full; or
- (2) the Majority Lenders (as defined in the Senior Facilities Agreement) have agreed in writing with PSL that such repayment may occur.

The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and PSL can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. PSL does not receive the benefit of security under the terms of the loan agreement.

- (v) Kingswood entered into a loan agreement on 13 March 2025 in relation to a £4,800,000 term loan made by HSQ.

The loan is repayable on earliest of:

- (1) 29 October 2030;
- (2) the date of an Exit; and
- (3) the date of a Partial Exit,

subject to that following the Reorganisation Date (as defined in the Senior Facility Agreement) the loan shall only become repayable if:

- (1) all amounts outstanding under any Facility (as defined in the Senior Facility Agreement) have been repaid in full; or
- (2) the Majority Lenders (as defined in the Senior Facilities Agreement) have agreed in writing with HSQ that such repayment may occur.

The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and HSQ can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. HSQ does not receive the benefit of security under the terms of the loan agreement.

10. HSQ Material Contracts

Save as set out below and in the Memorandum of Understanding set out in paragraph 11 below, neither HSQ nor any of its subsidiaries has, during the period beginning on 12 March 2023 (being two years before the commencement of the Offer Period) and ending on the Last Practicable Date, entered into any material contract otherwise than in the ordinary course of business. The following contracts, not being contracts entered into in the ordinary course of business and which may or may not be material, have been entered into by HSQ or its subsidiaries in the period beginning on 12 March 2023 and ending on the Last Practicable Date:

- (i) HSQ and Kingswood entered into a loan agreement on 16 February 2024 in relation to a £8,000,000 term loan made by HSQ, repayable on 17 October 2030. The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and HSQ can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. HSQ does not receive the benefit of security under the terms of the loan agreement.

- (ii) HSQ and Kingswood entered into a loan agreement on 13 March 2025 in relation to a £4,800,000 term loan made by HSQ.

The loan is repayable on earliest of:

- (1) 29 October 2030;
- (2) the date of an Exit; and

- (3) the date of a Partial Exit,

subject to that following the Reorganisation Date (as defined in the Senior Facility Agreement) the loan shall only become repayable if:

- (1) all amounts outstanding under any Facility (as defined in the Senior Facility Agreement) have been repaid in full; or
- (2) the Majority Lenders (as defined in the Senior Facilities Agreement) have agreed in writing with HSQ that such repayment may occur.

The loan is to be used for general corporate purposes. The rate of interest payable on the loan is 12% per annum accruing daily.

The loan agreement contains customary termination events (including non-payment, failure to comply with any other provision under the loan agreement and insolvency events) and HSQ can demand immediate repayment of the loan (plus accrued interest and any other payments due under the loan agreement).

No fees are payable under the terms of the loan agreement. HSQ does not receive the benefit of security under the terms of the loan agreement.

11. Offer Related Arrangements

The Memorandum of Understanding between HSQ and KPI

The previous arrangements

On 30 September 2019, and as described in previous announcements, including on 31 May 2024, Kingswood issued a promissory note to HSQ (the “**Make Whole Instrument**”) which was structured to provide PSC with a guaranteed return on its investment in convertible preference shares. Pursuant to this agreement, which was subsequently modified on 28 December 2021, upon a sale of HSQ’s shares in Kingswood, HSQ had a guaranteed minimum return of an amount equal to two times the total amount subscribed for their convertible preference shares prior to 28 December 2021 and an amount equal to one and a half times the total amount subscribed for their convertible preference shares on or after 28 December 2021. The aggregate level of return guaranteed by Kingswood to HSQ under the Make Whole Instrument is approximately £140.1m.

Separate to its shareholding in Kingswood, KPI holds an additional economic interest in Kingswood via HSQ, pursuant to a side letter entered into in December 2019 (the “**Side Letter**”). Pursuant to the Side Letter, KPI paid HSQ £5m in exchange for an economic interest in a portion of the convertible preference shares that HSQ had at that time subscribed for in Kingswood (the “**Trust Shares**”). HSQ agreed in the Side Letter to hold the Trust Shares on trust for, and to pay any proceeds relating to the Trust Shares to, KPI. On 31 May 2024, it was announced that HSQ had converted all of its convertible preference shares into Kingswood Shares resulting in HSQ being beneficially interested in 68.39% of the Company’s share capital. The Side Letter remains in force and, as a result, KPI has a continuing economic interest of approximately 7% in HSQ’s shareholding in Kingswood and also a 7% interest in HSQ’s rights under the Make Whole Instrument.

Finally, as part of the commercial arrangements agreed between HSQ and KPI at the time of the Side Letter, a call option dated 28 February 2020 between HSQ and KPI was entered into (the “**Call Option**”). Under the Call Option, were HSQ to achieve a certain level of return in connection with its investment in Kingswood, KPI was entitled to be awarded options over HSQ’s shares in Kingswood that would in turn entitle KPI to certain proceeds from HSQ on any eventual sale of HSQ’s shares in Kingswood.

As a result, whilst KPI has sold its shares in Kingswood to HSQ, it retained an economic interest in Kingswood through its interests in HSQ’s shares in Kingswood, the Make Whole Instrument and the Call Option. These arrangements are proposed to be amended as set out below.

The amended arrangements

On 26 February 2025, HSQ and KPI entered into a binding memorandum of understanding (the “MOU”) that sets out the proposed terms to reconstitute the existing entitlements due to KPI under the Side Letter and the Call Option (the “Amendment”).

The Amendment provides that in respect of any future proceeds distributed by HSQ, KPI is entitled to the following:

- a. KPI shall receive 7% of the proceeds arising and distributed to HSQ following the sale of the UK and Irish business (whether as a result of the Make Whole Instrument or otherwise) (the “First Amount”);
- b. KPI shall receive 7% of the historic unpaid interest due by Kingswood to HSQ on HSQ’s historic shareholding of convertible preference shares in Kingswood (the “Second Amount”);
- c. any amounts paid to HSQ by Kingswood in excess of the amounts received from paragraph (a) above and, to the extent distributed, paragraph (b) above up to \$50m (the “Third Amount”) will be distributed by HSQ in the following proportion: 90% to PSC and 10% to KPI; and
- d. any amounts in excess of the First Amount, the Second Amount and the Third Amount will be distributed by HSQ in the following proportion: 93% to PSC and 7% to KPI.

In addition, under the terms of the MOU, KPI shall have a put right under which it can require Pollen Street to acquire all of KPI’s interests in HSQ for the lower of: (i) USD 5.25m or (ii) an amount calculated pursuant to a formula derived from the future value of Kingswood US. The put right is only exercisable 3 years after the date of the MOU. The price will be reduced by any proceeds received by KPI, pursuant to its interests in HSQ, that are in excess of the First Amount, by the time of exercise (and the exercise of the put option will extinguish those rights to any further proceeds going forward).

Acquisition of KPI’s shares by HSQ

HSQ acquired all of KPI’s shares in Kingswood on 13 March 2025 at a price of 7p per share and as a result HSQ now owns 89.39% of Kingswood’s issued share capital. Having now acquired KPI’s shares, it is anticipated that the binding documentation in relation to the terms set out in the MOU will be completed shortly. Gary Wilder and Jonathan Massing resigned from the Board on 13 March 2025, when HSQ acquired all of KPI’s shares in Kingswood.

12. Governing Law

The Offer shall be governed by and construed in accordance with English law and Guernsey law. The Courts of England shall have exclusive jurisdiction for determining any matter which may arise under or in connection with the Offer.

13. Post-Offer Undertakings

No statements in this document constitute “post-offer undertakings” for the purposes of Rule 19.5 of the Takeover Code.

14. Sources and Bases

In this document, unless otherwise stated or the context otherwise requires, the bases of calculation and sources of information are used as described below:

- (a) Financial information relating to Kingswood has been extracted or derived (without any adjustment) from (i) the annual report and accounts of Kingswood for the year ended 31 December 2023 (ii) the interim accounts of Kingswood for the six months to 30 June 2024 and (iii) the AUA&M and the indebtedness of the Company as at 31 December 2024 from Kingswood management accounts.
- (b) References to the existing issued ordinary share capital of Kingswood and the existing issued Kingswood Shares are to the number of Kingswood Shares in issue as at the Last Practicable Date,

which was 686,184,011 Kingswood Shares as disclosed by Kingswood in the Rule 2.7 Announcement.

- (c) It is assumed that there are no Kingswood Shares which will be issued on or after the date of the document pursuant to the Kingswood share plans, given that all of the options issued pursuant to the Kingswood share plans as at the Last Practicable Date have exercise prices higher than the Offer price.
- (d) The international securities identification number for Kingswood Shares is GG00BKY4K072.

15. General

- (a) There is no agreement, arrangement or understanding under which any securities acquired pursuant to the Offer will be transferred to any other person, save that HSQ reserves the right to transfer any such securities to any other member of the HSQ group.
- (b) Save for the irrevocable undertakings described in paragraph 7 of Part A of Part V (*Additional Information*) of this document neither:

- (i) HSQ; nor
- (ii) Kingswood,

has any Note 11 arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature relating to relevant Kingswood securities, which may be an inducement to deal or refrain from dealing, with any other person.

- (c) As the Offer is unconditional from the outset, there are no conditions that may be invoked by HSQ in relation to the Offer.
- (d) The financial information on HSQ and the Kingswood Group contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act and accounts within the meaning of section 245 of the Companies Law respectively.

16. Fees and Expenses

- (a) The aggregate fees and expenses expected to be incurred by HSQ in connection with the Offer are estimated to amount to approximately £722,460.00 (plus applicable VAT and other taxes). The following are estimates expected to comprise the aggregate figure (in each case exclusive of VAT):

Cash confirmation advice	£200,000.00
Legal advice	£450,000.00
Other costs and expenses	£72,460.00

- (b) The aggregate fees and expenses expected to be incurred by Kingswood in connection with the Offer are estimated to amount to approximately £482,850.00 (plus applicable VAT and other taxes). The following are estimates expected to comprise the aggregate figure (in each case exclusive of VAT):

Financial advice	£250,000.00
Legal advice	£230,000.00
Other costs and expenses	£2,850.00

17. Financing the Offer

The cash consideration payable to Kingswood Shareholders under the terms of the Offer is being financed from debt funding to be invested into HSQ by Pollen Street group entities.

Panmure Liberum, in undertaking the cash confirmation exercise for HSQ, is satisfied that sufficient resources are available to HSQ to satisfy in full the cash consideration payable to Kingswood Shareholders under the terms of the Offer.

18. No Significant Change

Save as disclosed in Part II (Letter from the Chairman of Kingswood) in this document, there has been no significant change in the financial or trading position of Kingswood since 30 June 2024, being the date to which the latest interim financial information published by Kingswood was published.

19. Consent

Each of Panmure Liberum and Cavendish has given and not withdrawn its consent to the publication of this document with the inclusion herein of the references to its name in the form and context in which such references appear.

20. Effect of Full Acceptance of the Offer on HSQ

If the Offer is accepted in full, HSQ will acquire the entire issued and to be issued share capital of Kingswood, which will become a wholly-owned subsidiary of HSQ. Following completion, HSQ's principal asset will be its holding in the Kingswood Group, and its financial position and trading prospects will principally be those of the Kingswood Group.

HSQ is a special purpose vehicle which was formed for the purposes of holding Pollen Street's original investment in the Company, and has no material trading activities. Its only assets are its existing holding of Kingswood Shares and a passive minority interest in a listed U.S. entity, which represents a small portion of its overall assets. HSQ has no material liabilities other than those arising in connection with the Offer and its financing.

The Offer is being funded from HSQ's existing cash resources, as further described in paragraph 12 of Part I (Letter from HSQ Investment Limited) of this document. Following completion of the Offer, HSQ may implement a capital structure appropriate for its ownership of the Kingswood Group.

Accordingly, the financial and trading prospects of HSQ following full acceptance of the Offer will depend entirely on the future performance of the Kingswood Group.

21. Persons acting in concert

- (a) In addition to the HSQ Directors (together with their close relatives and related trusts) and the members of the Wider HSQ Group (including HSQ's holding companies and their subsidiaries), the other persons who, for the purposes of the Takeover Code, are acting in concert with HSQ in respect of the Offer and who are required to be disclosed are Panmure Liberum Limited, who are providing cash confirmation advice to HSQ and whose registered address is 25 Ropemaker Street, London, England, EC2Y 9LY.
- (b) In addition to the Kingswood Directors (together with their close relatives and related trusts) and the members of the Kingswood Group (including Kingswood's holding companies and their subsidiaries), the other persons who, for the purposes of the Takeover Code, are acting in concert with Kingswood in respect of the Offer and who are required to be disclosed are Cavendish Capital Markets Limited, who are acting as the Rule 3 adviser to Kingswood and whose registered address is 1 Bartholomew Close, London, EC1A 7BL.

22. Documents available on website

Copies of the following documents will be available promptly on HSQ's and Kingswood's websites subject to certain restrictions relating to persons resident in Restricted Jurisdictions at <https://arena.pollencap.com> and www.kingswood-group.com, respectively and in any event by no later than 12 noon (London time) on the Business Day following the publication of this document until the end of the Offer Period:

- this document;
- the Rule 2.7 Announcement;
- the irrevocable undertakings referred to at paragraph 7 above;

- equity commitment letters from Pollen Street Limited to PSC III Nominee Limited and from PSC III Nominee Limited to HSQ;
- the consent letters of Panmure Liberum and Cavendish;
- a sample Form of Acceptance;
- the Side Letter between HSQ and KPI;
- the MOU between HSQ and KPI; and
- the Facility Agreement between HSQ and the Company dated 13 March 2025.

Neither the contents of Kingswood's and HSQ's websites, nor the content of any other website accessible from hyperlinks on either such websites, is incorporated into or forms part of, this document.

PART B: ADDITIONAL INFORMATION FOR OVERSEAS SHAREHOLDERS

GENERAL

- (a) This document and the accompanying Form of Acceptance have been prepared for the purposes of complying with English law, Guernsey law, the applicable requirements of Companies Law, the Takeover Code, the Panel, the FCA and the London Stock Exchange and applicable securities law and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of any other jurisdiction.
- (b) The release, publication or distribution of this document and any accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements. The availability of the Offer to Kingswood Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens and therefore persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.
- (c) Unless otherwise determined by HSQ or required by the Takeover Code and permitted by applicable law and regulation, the Offer is not being, and will not be, made available, in whole or in part, directly or indirectly, in or into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may accept the Offer by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this document and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail, or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported acceptance of the Offer. Unless otherwise permitted by applicable law and regulation, the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.
- (d) This document does not constitute an offer or invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful.
- (e) The Offer shall be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA and the AIM Rules.
- (f) **Overseas Shareholders should consult their own legal and tax advisers with respect to the legal and tax consequences of the Offer.**

PART C: TAXATION

The following paragraphs provide summary information on certain aspects of taxation as a guide only and are not a substitute for independent professional tax advice. Any tax consequences of the Offer for a Kingswood Shareholder will depend on their particular circumstances. Any Kingswood Shareholders who are in any doubt about their tax position, or who are resident for tax purposes, or otherwise subject to tax, outside the UK, should contact an appropriate tax adviser.

1. UK TAXATION

The comments set out below summarise certain limited aspects of the UK taxation treatment for certain Kingswood Shareholders under the Offer and do not purport to be a complete analysis of all tax considerations relating to the Offer. They are based on current UK legislation as applied in England and Wales and what is understood to be current HM Revenue and Customs (“HMRC”) practice (which may not be binding on HMRC), both of which are subject to change, possibly with retrospective effect. They are not, and should not be taken as being, advice.

The comments are intended as a general guide for persons holding their Kingswood Shares legally and beneficially for themselves and do not deal with certain categories of Kingswood Shareholder such as: persons subject to special tax regimes (such as collective investment schemes and persons subject to UK tax on the remittance basis or under the foreign income and gains regime which will be introduced from 6 April 2025) or able to benefit from specific reliefs or exemptions (such as charities); brokers, dealers in securities, intermediaries, insurance companies, trustees of certain trusts, persons holding their Kingswood Shares as part of hedging or commercial transactions, persons who have or could be treated for tax purposes as having acquired their Kingswood Shares in connection with a trade, profession or vocation carried out in the UK (whether through a branch or agency or otherwise), persons who are connected with Kingswood or persons who have or could be treated for tax purposes as having acquired their Kingswood Shares by reason of employment or as holding their Kingswood Shares as carried interest or in connection with the provision of investment management services. Nothing in these paragraphs should be taken as providing personal tax advice. In particular, the following paragraphs do not refer to UK inheritance tax. They also assume that the tax changes announced on 30 October 2024 by the UK Government in the Budget are implemented in full and on the terms announced.

References in this paragraph 1 to “UK Holders” are to Kingswood Shareholders who (a) are resident for tax purposes in, and only in, the UK at all relevant times and, in the case of individuals, to whom “split year” treatment does not apply, and who are domiciled, or deemed domiciled, for tax purposes only in the UK and/or cannot apply the foreign income and gains regime to their Kingswood Shares, (b) hold their Kingswood Shares as an investment (other than under a self-invested personal pension plan or individual savings account) and (c) are the absolute legal and beneficial owners of their Kingswood Shares.

(a) UK tax on chargeable gains

The transfer of Kingswood Shares to HSQ in exchange for cash consideration under the Offer should be treated as a disposal of a UK Holder’s Kingswood Shares for the purposes of UK taxation of chargeable gains. Depending on a UK Holder’s specific circumstances (including the UK Holder’s capital gains tax base cost and the availability of any exemptions, reliefs and/or allowable losses), the disposal of the UK Holder’s Kingswood Shares may give rise to a liability to UK taxation on chargeable gains or an allowable capital loss.

- (i) Subject to any available exemption, relief or allowance, chargeable gains made by a UK Holder who is an individual will generally be charged to capital gains tax at a rate of either 18% or 24%, depending on the total amount of the individual’s total taxable income and chargeable gains for the tax year. The chargeable gains annual exempt amount (which for individuals, is £3,000 for the tax year running from 6 April 2025 to 5 April 2026), or part of it, may be available to any individual UK Holder to offset any chargeable gain (to the extent it is not otherwise utilised).

- (ii) Subject to any available exemption, relief or allowance, chargeable gains of a UK Holder within the charge to UK corporation tax will be charged to corporation tax on chargeable gains at the applicable corporation tax rate. For a UK Holder within the charge to UK corporation tax which acquired its Kingswood Shares before 31 December 2017, an indexation allowance may be available to reduce the amount of the chargeable gain realised (but not to create or increase any allowable loss) on a disposal of those Kingswood Shares.
- (b) ***UK stamp duty and stamp duty reserve tax (“SDRT”)***
No UK stamp duty or SDRT should be payable by any Kingswood Shareholder on the transfer of their Kingswood Shares to HSQ.

PART VI

DEFINITIONS

AIM	the market of that name operated by the London Stock Exchange.
AIM Rules	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time.
Articles	the memorandum and articles of incorporation of Kingswood from time to time.
Business Day	a day (other than Saturdays, Sundays, and public holidays in the United Kingdom) on which banks are generally open for business in London and Guernsey.
Cavendish	Cavendish Capital Markets Limited.
certificated or in certificated form	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST).
Closing Date	the closing date as will be specified by HSQ through a Regulatory Information Service, with shareholders receiving at least 14 days' notice prior to the specified closing date, which shall be no earlier than Day 21.
Code or Takeover Code	the City Code on Takeovers and Mergers.
Companies Law	the Companies (Guernsey) Law 2008, as amended.
CREST	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & International Limited is the Operator (as defined in the Regulations).
CREST Manual	the CREST Manual published by Euroclear, as amended from time to time.
Day 21	the 21st day following the date on which this document is published.
Day 60	the 60th day following the date on which this document is published.
De-Listing	the cancellation of admission of the Kingswood Shares to trading on AIM.
Dealing Disclosure	a dealing disclosure in accordance with Rule 8 of the Takeover Code.
Directors or Board	the directors of Kingswood or any duly authorised committee thereof, and "Director" means any one of them.
Electronic Acceptance	the inputting and settling of a TTE instruction which constitutes or is deemed to constitute an acceptance of the Offer on the terms set out in this document.
ESA instruction	an Escrow Account Adjustment Input (AESN), transaction type "ESA" (as described in the CREST Manual).

Euroclear	Euroclear UK & International Limited.
Excluded Shares	<p>(i) shares held as treasury shares;</p> <p>(ii) shares held by HSQ;</p> <p>(iii) shares held by a nominee of HSQ;</p> <p>(iv) shares held by a holding company, subsidiary or a fellow subsidiary of HSQ or a nominee of such a holding company, subsidiary or fellow subsidiary;</p> <p>(v) a body corporate in which HSQ is a substantially interested;</p> <p>(vi) a person who is, or is a nominee of, a party to a share acquisition agreement with HSQ; or</p> <p>(vii) shares acquired by HSW during the offer period at a price other than the offer price save where the offer price is raised to match the offer price.</p>
FCA or Financial Conduct Authority	the Financial Conduct Authority or its successor from time to time.
fellow subsidiary	has the meaning ascribed to it in the Companies Law.
Form of Acceptance	the form of acceptance and authority relating to the Offer for use by Kingswood Shareholders who hold Kingswood Shares in certificated form.
FSMA	the Financial Services and Markets Act 2000, as amended from time to time.
Group	Kingswood and its subsidiary undertakings and, where the context permits, each of them.
Guernsey law	the laws, statutes, regulations, ordinances, and other legislative instruments in force in the Island of Guernsey, including common law and equity as applied in Guernsey, and any rules, directives, or guidance issued by any regulatory authority or governmental body having jurisdiction in Guernsey, as amended or re-enacted from time to time.
holding company	has the meaning ascribed to it in the Companies Law.
HSQ	HSQ Investment Limited, a private company incorporated in England and Wales with registered number 12156807.
HSQ Directors	the directors of the board of HSQ, being Duncan Gerard and Lindsey McMurray.
Independent Kingswood Directors	the Independent Kingswood Directors of the Board being, David Hudd, Peter Coleman, Jonathan Freeman, Gemma Godfrey and Jane Millar.
ISIN	International Securities Identification Number.
Kingswood	Kingswood Holdings Limited, a non-cellular company limited by shares incorporated in Guernsey with company number 42316.

Kingswood Directors	the Directors of the Board being, David Hudd, Peter Coleman, Jonathan Freeman, Duncan Gerard, Gemma Godfrey, Lindsey McMurray and Jane Millar.
Kingswood Shareholders	the holders of Kingswood Shares, but the term shall, where the context requires, exclude HSQ.
Kingswood Shares	ordinary shares in the capital of Kingswood.
KPI	KPI (Nominees) Limited, a private company incorporated in England and Wales with registered number 05723493.
Last Practicable Date	close of business on 24 March 2025, being the Business Day immediately prior to the publication of this document.
London Stock Exchange or LSE	London Stock Exchange plc or its successor from time to time.
Offer	the recommended all cash offer by HSQ for the entire issued, and to be issued, share capital of Kingswood not already owned, or agreed to be acquired by HSQ.
Offer Document	this document dated 25 March 2025.
Offer Period	the offer period (as defined in the Takeover Code) relating to Kingswood that commenced on 12 March 2025 and ending no earlier than 15 April 2025.
Opening Position Disclosure	has the meaning given to it by Rule 8 of the Takeover Code.
Overseas Shareholders	any Kingswood Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom or Guernsey.
Panel	the Panel on Takeovers and Mergers.
Pollen Street	Pollen Street Capital Limited, a private company incorporated in England and Wales with registered number 08741640.
Receiving Agent	MUFG Corporate Markets of Central Square, 29 Wellington Street, Leeds LS1 4DL.
Regulations	Uncertificated Securities Regulations 2001 as amended from time to time.
Regulatory Information Service	the regulatory information service as defined in the handbook of rules and guidance made by the FCA.
Restricted Jurisdiction	any jurisdiction where the making of the Offer would (a) constitute a violation of the relevant laws and regulations of such jurisdiction; or (b) result in a requirement to comply with any governmental or other consent or any registration, filing, or other formality which HSQ or Kingswood regards as unduly onerous.
Rule 2.7 Announcement	the announcement made by HSQ under Rule 2.7 of the Takeover Code on 18 March 2025 regarding the Offer.
Significant Interest	in relation to an undertaking, a direct or indirect interest of 20% or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act 2006) of such undertaking.

subsidiary	has the meaning ascribed to it in the Companies Law.
TTE instruction	Transfer to Escrow (as defined in the CREST Manual).
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland.
uncertified or in uncertificated form	a share or other security title to which is recorded in the relevant register of the share or security as being held in uncertificated form, in CREST, and title to which, by virtue of the Regulations may be transferred by means of CREST.
US or United States	the United States of America, its territories and possessions, any state of the United States, the District of Columbia, and all other areas subject to its jurisdiction.
Wider HSQ Group	HSQ and its subsidiary undertakings, associated undertakings and any other undertaking in which HSQ and/or such undertakings (aggregating their interests) have a Significant Interest.
Wider Kingswood Group	Kingswood and its subsidiary undertakings, associated undertakings and any other undertaking in which Kingswood and/or such undertakings (aggregating their interests) have a Significant Interest.