**DATED 10 September 2026**

**AVOCET BIDCO LIMITED**

**and**

**ELECO PLC**

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# CO-OPERATION AGREEMENT

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DORSEY

DORSEY + WHITNEY (EUROPE) LLP

**Dorsey & Whitney (Europe) LLP**
**199 Bishopsgate**
**London EC2M 3UT**

**Tel: 0207 031 3700**
**www.dorsey.com**

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**THIS AGREEMENT** is made on 10 September 2026

**PARTIES**

(1) **AVOCET BIDCO LIMITED**, a private limited company incorporated in England and Wales with company number 17443451 whose registered office is at 27 Old Gloucester Street, London, WC1N 3AX, United Kingdom ("**Bidder**"); and

(2) **ELECO PLC**, a public limited company incorporated in England and Wales with company number 00354915 whose registered office is at Dawson House, 5 Jewry Street, London, United Kingdom, EC3N 2EX ("**Target**"),

together the "**parties**" and each a "**party**" to this Agreement.

**RECITALS**

(1) Bidder and Target intend, immediately following execution of this Agreement, to announce Bidder's firm intention to make a recommended offer for the entire issued and to be issued share capital of Target (the "**Acquisition**") on the terms and subject to the conditions set out in the Announcement.

(2) The Acquisition is intended to be effected by means of a scheme of arrangement under Part 26 of the Companies Act provided that Bidder reserves the right, as set out in the Announcement and this Agreement and subject to the consent of the Panel, to elect to implement the Acquisition by way of an Offer.

(3) The parties have entered into this Agreement to record (i) their agreement to undertake certain steps in connection with the completion of the Acquisition and (ii) certain matters agreed between them in respect of the conduct of the business of the Target Group on and from the Effective Date.

**THE PARTIES AGREE** as follows:

## 1. INTERPRETATION

1.1 In this Agreement (including the recitals hereto) each of the following words and expressions shall have the following meanings:

"**Accel-KKR**" means AKKR Fund II Management Company, LP;

"**Accel-KKR Funds**" means any investment funds, vehicles and accounts managed and/or advised by Accel-KKR or its affiliates;

"**Acceptance Condition**" has the meaning given to it in Clause 3.2(a);

"**Acquisition**" has the meaning given to it in Recital (1);

"**acting in concert**" means, in respect of a person, any person that is "acting in concert" with that party for the purposes of the Acquisition pursuant to the Code as applied by the Panel or, if a ruling or exemption has been sought from the Panel, any person that is regarded by the Panel as "acting in concert" with that party for the purposes of the Acquisition at the relevant time;

"**Agreed Switch**" means where the Acquisition is implemented by way of an Offer in accordance with Clause 3.1(a) (for so long as the Target Board Recommendation applies in respect of the Offer and there has not been a Target Board Adverse Recommendation Change);

"**Announcement**" means the announcement detailing the terms and conditions of the Acquisition to be made pursuant to Rule 2.7 of the Takeover Code, in the form set out in Schedule 1;

"**Associated Company**" shall have the same meaning as in section 256 of the Companies Act;

"**Bidder Director**" means the director of Bidder;

"**Bidder Group**" means Bidder and its subsidiary undertakings from time to time and "member of the Bidder Group" shall be construed accordingly;

"**Business Day**" means any day, other than a public holiday, Saturday or a Sunday, when banks are generally open in London for general banking business;

"**Clearances**" means all approvals, comfort letters, confirmation, consents, clearances, permissions and waivers that are required to be obtained (including the satisfaction or expiry of any applicable waiting periods or the otherwise deemed approval), in each case, that are necessary for the purposes of satisfying the Regulatory Conditions and any reference to any Clearances having been "**satisfied**" shall be construed as meaning that each of the foregoing has been obtained or, where relevant, made or expired;

"**Code**" means the UK City Code on Takeovers and Mergers as issued, amended and/or interpreted from time to time by or on behalf of the Panel;

"**Companies Act**" means the Companies Act 2006;

"**Competing Proposal**" means an offer (including a partial, exchange or tender offer), merger, acquisition, scheme of arrangement, reverse takeover, Rule 9 waiver proposal and/or business merger (or an announcement of a firm intention under Rule 2.7 of the Code to do the same), the purpose of which is to acquire, directly or indirectly, 30 per cent. or more of the issued and to be issued ordinary share capital of Target (when aggregated with the shares already held by the acquirer and any person acting or deemed to be acting in concert with the acquirer) or any arrangements or series of arrangements which results in any party acquiring, consolidating or increasing "control" (as defined in the Code) of Target, in each case which is not effected by Bidder (or any of its concert parties (as defined in the Code)) or at Bidder's direction or with Bidder's written agreement, whether implemented in a single transaction or a series of transactions and whether conditional or otherwise;

"**Conditions**" means the conditions to the Acquisition as set out in Part A of Appendix 1 of the Announcement and "**Condition**" shall be construed accordingly;

"**Confidentiality Agreement**" means the confidentiality agreement between Accel-KKR Capital Partners VII, LP and Target dated 21 July 2026;

"**Court**" means the High Court of Justice in England and Wales;

"**Court Meeting**" means the meeting of Scheme Shareholders (and any adjournment or postponement thereof) convened pursuant to Section 896 of the Companies Act for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme;

"**Day 60**" has the meaning given to it in Clause 3.2(d);

"**Effective Date**" means the date upon which either:

(i) the Scheme becomes effective in accordance with its terms; or

(ii) if Bidder elects to implement the Acquisition by means of an Offer, the Offer becomes or is declared unconditional in all respects in accordance with the requirements of the Code;

"**Financial Year**" means a financial year of the Target ended or ending on 31 December, as the case may require;

"**General Meeting**" means the general meeting of Target Shareholders to be convened in connection with the Scheme to be held on the same date as the Court Meeting to consider and, if thought fit, approve, the General Meeting Resolutions, including any adjournment or postponement of that meeting;

"**General Meeting Resolution(s)**" means the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including, amongst other things, a special resolution proposed in connection with, inter alia, implementation of the Scheme and certain amendments to be made to the Target's articles of association;

"**Law**" means any applicable statutes, common law, rules, ordinances, regulations, codes, orders, judgments, injunctions, writs, decrees, directives, governmental guidelines or interpretations having the force of law or bylaws, in each case, of a Relevant Authority and shall for the avoidance of doubt include the Code and the AIM Rules;

"**Long Stop Date**" means 10 March 2027 (or such later date as may be agreed by Target and Bidder);

"**Notice**" shall have the meaning given to it in Clause 14.1;

"**Offer**" means the right, with the consent of the Panel, as set out in (and subject to the terms and conditions of) the Announcement and this Agreement, to implement the Acquisition by way of a takeover offer within the meaning of section 974 of the Companies Act, such offer, including any subsequent revision, amendment, variation, extension or renewal thereof;

"**Offer Document**"means the offer document published by or on behalf of Bidder in connection with any Offer, including any revision thereof or supplement thereto;

"**Panel**" means the UK Panel on Takeovers and Mergers;

"**Regulatory Conditions**" means the Condition(s) set out in paragraph 3.1 to 3.3 (inclusive) of Part A of Appendix 1 of the Announcement;

"**Regulatory Information Service**" means an information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;

"**Relevant Authority**" means any governmental, quasi-governmental, supra-national, regulatory or investigative body or agency or authority, exercising anti-trust, competition law or merger control rules, any foreign investment or national security review body, regulatory or other authority, including the London Stock Exchange and the Panel and "**Relevant Authorities**" means all of them;

"**Relevant Officer**" means a director, former director, secretary or any person appointed by the directors to perform any of the duties of the secretary including a joint, assistant or deputy secretary, in each case of Target or of an Associated Company of Target;

"**Relevant Third Party**" has the meaning given to it in Clause 15.15;

"**Remedies**" means any conditions, obligations, measures, commitments, modifications, undertakings, remedies (including disposals and any pre-divestiture reorganisations by any party) or assurance (financial or otherwise) offered or required in connection with the obtaining of any Clearances, and "**Remedy**" shall be construed accordingly;

"**Responsible Persons**" means each of: (i) the Bidder Director; and (ii) any person (other than the Bidder Director) who the Panel requires or agrees to take responsibility with the Bidder Director for the information in relation to Accel-KKR and/or the Wider Bidder Group;

"**Right to Switch**" has the meaning given to it in Clause 3.1;

"**Sanction Condition**" means the Condition referred to in paragraph 2.3 of Part A of Appendix 1 of the Announcement;

"**Scheme**" means the proposed scheme of arrangement under Part 26 of the Companies Act between Target and the Scheme Shareholders to effect the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Bidder and Target;

"**Scheme Conditions**" means the Conditions referred to in paragraph 2 of Part A of Appendix 1 of the Announcement;

"**Scheme Document**" means the document to be sent to the Target Shareholders and persons with information rights under the Code containing, inter alia, details of the Scheme and notices convening the Court Meeting and the General Meeting, including any revision thereof or supplement thereto;

"**Scheme Hearing**" means the Court hearing to sanction the Scheme under section 899 of the Companies Act, including any adjournment thereof;

"**Scheme Shares**" has the meaning given in the Announcement;

"**Target Board Adverse Recommendation Change**" means:

(i) an announcement by Target prior to the publication of the Scheme Document that: (a) the Target Directors no longer intend to unanimously recommend the Acquisition or they intend to withdraw, adversely modify or qualify their recommendation of the Acquisition; or (b) (other than following an Agreed Switch) Target will not convene the Court Meeting or the General Meeting; or (c) (other than following an Agreed Switch) that Target intends not to post the Scheme Document or (if different) the document convening the General Meeting, in each case without the consent of Bidder;

(ii) a delay by Target in holding or convening, or an adjournment of, the Court Meeting, the General Meeting or the Scheme Hearing (or an announcement by Target of its intention to do any of the foregoing) which, for the avoidance of doubt, shall not include any failure by Target to bring forward the date on which such meetings or hearings shall be held or convened, in each case without the consent of Bidder, except where such delay or adjournment is for logistical or practical reasons outside Target's reasonable control and provided that Target convenes or reconvenes the Court Meeting and General Meeting for the earliest date reasonably practicable in accordance with the Code and any other applicable Laws following such announcement;

(iii) (other than following an Agreed Switch) the Target Board Recommendation not being included in the Scheme Document or (if different) the document convening the General Meeting when published;

(iv) the Target Directors otherwise withdrawing or adversely modifying or qualifying the Target Board Recommendation (or making an announcement that they intend to do so) at any time following the publication of the Scheme Document;

(v) if Target makes an announcement via a Regulatory Information Service that the Target Directors recommend, intend or are minded to recommend, any firm, possible or revised offer or other arrangement which would result in any person other than Bidder (or a person acting in concert with Bidder) acquiring control of Target or which would otherwise reasonably be expected to frustrate the Bidder's acquisition or control of Target; or

(vi) if, after the approval of the General Meeting Resolutions, Target or the Target Directors announce that it or they will not implement the Scheme (other than: (i) in connection with an announcement of an Offer or revised offer by Bidder (or any person acting in concert with Bidder) for Target; or (ii) because a Condition has become incapable of fulfilment or satisfaction (and where such Condition is capable of waiver, Bidder has not waived such Condition)),

provided that, for the avoidance of doubt, the issue of any holding statement by Target following a change of circumstances shall not constitute a Target Board Adverse Recommendation Change so long as any such holding statement: (i) contains an express statement that the Target Board Recommendation is not withdrawn, modified or qualified and (ii) does not contain a statement that the Target Directors intend to withdraw, modify or qualify the Target Board Recommendation;

"**Target Board Recommendation**" means the unanimous and unconditional recommendation of the Target Directors to the Target Shareholders to vote in favour of the Scheme and the General Meeting Resolutions at the Court Meeting and the General Meeting respectively or (in the event of an Agreed Switch) to accept the Offer;

"**Target Directors**" means the directors of Target from time to time and "**Target Director**" shall be construed accordingly;

"**Target Group**" means Target and its subsidiaries and subsidiary undertakings from time to time and "**member of the Target Group**" shall be construed accordingly;

"**Target Representative**" has the meaning given to it in Clause 13.1;

"**Target Shareholders**" means holders of Target Shares;

"**Target Shares**" means ordinary shares of 1 pence each in the capital of Target from time to time;

"**Target Share Plan**" has the meaning given to it in Schedule 1;

"**Third Party Rights Provisions**" has the meaning given to it in Clause 15.15; and

"**Wider Bidder Group**" means Bidder Group and each of its associated undertakings and any other body corporate, partnership, joint venture or person in which Bidder and their associated undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent.

1.2 In this Agreement, except where the context otherwise requires:

(a) references to recitals, clauses and Schedules are to recitals and clauses of, and Schedules to, this Agreement;

(b) the expressions "subsidiary" and "subsidiary undertaking" shall have the meanings given in the Companies Act and the expression "group" in relation to a party, means that party together with its subsidiaries and subsidiary undertakings from time to time;

(c) the expressions "acting in concert", "control" and "offer" shall have the meanings given in the Code;

(d) the expression "affiliates", in relation to any person or entity, means any person or entity who or which, directly or indirectly, controls, is controlled by, or is under common control with, such person or entity;

(e) use of any gender includes the other genders;

(f) words in the singular shall include the plural and vice versa;

(g) any reference to a "day" (including within the phrase "Business Day") shall mean a period of 24 hours running from midnight to midnight;

(h) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted and shall include any subordinate legislation made from time to time under that statute or statutory provision;

(i) references to a "company" shall be construed so as to include any corporation or other body corporate, wherever and however incorporated or established;

(j) references to a "person" shall be construed so as to include any individual, firm, company, corporation, body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality);

(k) references to "writing" shall include any modes of reproducing words in a legible and non-transitory form and shall include email except where otherwise expressly stated;

(l) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things;

(m) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;

(n) a reference to "includes" or "including" shall mean "includes without limitation" or "including without limitation" respectively;

(o) all headings and titles are inserted for convenience only and are to be ignored in the interpretation of this Agreement;

(p) the Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include the Schedules;

(q) a reference to any other document referred to in this Agreement is a reference to that other document as amended or supplemented at any time; and

(r) references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

## 2. PUBLICATION OF THE ANNOUNCEMENT AND THE TERMS OF THE ACQUISITION

2.1 The parties shall procure the release of the Announcement via a Regulatory Information Service at or before 8.00 am on the date of this Agreement, or such other date and time as may be agreed by the parties (and, where required by the Code, approved by the Panel). The obligations of the parties under this Agreement, other than this Clause 2.1 and Clauses 9 to 16 (each as interpreted in accordance with Clause 1), shall be conditional on such release.

2.2 The terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be agreed by the parties in writing (save in the case of an improvement to the terms of the Acquisition, which shall be at the absolute discretion of Bidder) and, where required by the Code, approved by the Panel.

2.3 The terms of the Acquisition at the date of posting of the Scheme Document shall be set out in the Scheme Document. Should Bidder elect to implement the Acquisition by way of an Offer in accordance with Clause 3, the terms of the Acquisition shall be set out in the announcement of the switch to an Offer and the Offer Document.

## 3. RIGHT TO SWITCH

3.1 The parties intend to implement the Acquisition by means of the Scheme. However, Bidder shall have the right (subject always to the consent of the Panel, if required), at any time (whether before or after the posting of the Scheme Document), to elect to implement the Acquisition by way of an Offer (such right being the "**Right to Switch**") if:

(a) Target provides its prior written consent; or

(b) a Competing Proposal is made or announced (whether or not subject to satisfaction or waiver of any pre-conditions); or

(c) a Target Board Adverse Recommendation Change occurs.

3.2 In the event of an Agreed Switch, unless otherwise agreed with Target or required by the Panel:

(a) the acceptance condition to the Offer (the "**Acceptance Condition**") shall be set at 75 per cent of the Target Shares on a fully diluted basis to which the Offer relates (or such lesser percentage as Bidder and Target may agree after, to the extent necessary, consultation with the Panel, being in any case, more than 50% of the Target Shares on a fully diluted basis);

(b) to the extent reasonably practicable, Bidder shall (i) discuss with Target and consider in good faith any comments proposed by Target in relation to any announcements relating to the Agreed Switch; and (ii) consult with Target in a timely manner in respect of any proposed changes to the timetable in relation to the implementation of the Agreed Switch;

(c) Bidder shall (i) prepare, as soon as reasonably practicable, the Offer Document and related form of acceptance; (ii) to the extent reasonably practicable, allow Target a reasonable opportunity to review those documents prior to their publication; and (iii) give due consideration in good faith to Target's reasonable comments thereon;

(d) following the publication of the Offer Document, Bidder shall not without the consent of Target take any action (including issuing an acceptance condition invocation notice (as defined in Rule 31.6 of the Code)) which would cause the Offer not to proceed, to lapse or to be withdrawn in each case for non-fulfilment of the Acceptance Condition prior to midnight on the sixtieth (60th) day following the publication of the Offer Document (or such later date as is set in accordance with Rule 31.3 of the Code) ("**Day 60**") and Bidder shall ensure that the Offer remains open for acceptances until such time;

(e) if at any time during the period between the publication of the Offer Document and 5.00 p.m. on the date falling on the second day prior to Day 39 (as defined in the Code), it becomes reasonably expected that any outstanding Regulatory Condition is not likely to be satisfied or waived (if capable of waiver) prior to Day 60 (as defined in the Code) Bidder shall promptly consult with Target as to whether a suspension to the offer timetable should be sought pursuant to Rule 31.4(a) of the Code and, if Bidder and Target so agree, they will make a joint application to the Panel for the suspension of the offer timetable provided that, if Target does not agree to a suspension, Bidder shall be entitled to seek consent alone;

(f) notwithstanding paragraph (e) above, if, by 5.00 p.m. on the date falling on the ninth day prior to Day 39 (as defined in the Code), any outstanding Regulatory Condition has not been satisfied, Bidder shall promptly seek, jointly with Target, the consent of the Panel to suspend the offer timetable no later than the date falling on the second day prior to Day 39 (as defined in the Code);

(g) Bidder shall, on a regular basis and in any event within two (2) Business Days following a written request from Target, notify Target of the number of Target Shareholders that have: (i) validly returned acceptance forms; (ii) returned but incorrectly completed acceptance forms; (iii) validly returned acceptance withdrawal forms; and (iv) returned but incorrectly completed acceptance withdrawal forms, and each such notice will include the identities of such shareholders and the numbers of Target Shares to which such forms relate; and

(h) the Conditions, as set out in Appendix 1 to the Announcement, shall be incorporated into the announcement of such Offer and into the Offer Document subject to such modifications or amendments as may be agreed in writing by the parties or required by the Panel save that references to the Scheme Conditions shall be replaced with references to the Acceptance Condition or which are necessary as a result of the switch from the Scheme to the Offer;

(i) the Offer shall otherwise be made on the same or improved terms and subject to the same conditions as those set out in the Announcement, subject to any modifications or amendments to such terms and conditions as may be agreed by Target or required by Code or the Panel or which are otherwise necessary as a result of the switch from the Scheme to the Offer; and

(j) all provisions of this Agreement relating to the Scheme and its implementation shall apply to the Offer and its implementation mutatis mutandis, and all other provisions of this Agreement shall continue to apply, in each case save as set out in this Clause 3.

## 4. REGULATORY CONDITIONS

*General Provisions*

4.1 Subject to clause 4.2, Bidder agrees that it shall use all reasonable endeavours to satisfy or procure the satisfaction of the Regulatory Conditions including the obtaining of all and any required Clearances as soon as is practicable following the date of this Agreement and in any event in sufficient time to enable the Effective Date to occur by the Long Stop Date. This shall include offering and executing any Remedies that are required to obtain Clearances to enable the Effective Date to occur by the Long Stop Date, provided always that:

4.1.1 any such Remedy is not likely to have a material adverse effect on the value of the operations of the Target Group (taken as a whole) post-Completion, in Bidder's good faith and reasonable opinion; and

4.1.2 any such Remedy applies only to a member or members of the Target Group and/or its or their businesses, and not, for the avoidance of doubt, to Accel-KKR, any Accel-KKR Funds or any portfolio companies in which any of them, or any of their associated companies, entities or affiliates have an equity or any other interest.

4.2 Bidder will consult with Target on the strategy for satisfying the Regulatory Conditions and (to the extent permitted by Law) on the terms of any correspondence with the Relevant Authorities and shall have due regard to Target's reasonable comments in relation thereto.

4.3 If either party is contacted by a Relevant Authority, it shall, prior to responding to that Relevant Authority, and to the extent that it is lawfully able so to do, inform the other party of the substance of such contact and discuss the substance of its proposed response with the other party before responding.

4.4 If Bidder or Target becomes aware of any matter which might reasonably be considered to be material in the context of the satisfaction or waiver of, or to provide sufficient grounds for it to invoke, any Regulatory Condition, Bidder or Target (as applicable) shall promptly notify the other party and provide such details and further information as such party may reasonably request in writing, provided that, in respect of any information the circulation of which would adversely affect Bidder's legitimate business interests or may be prohibited by applicable Law, Bidder shall only be required to provide a non-confidential version of such information (or, where prohibited by applicable Law, shall not be required to provide such information).

*Cooperation and assistance*

4.5 Bidder and Target shall co-operate with each other and provide, and procure the provision of, all reasonable information, assistance and access to each other in a timely manner in order to allow for Bidder, or Bidder and Target jointly, or Target, as may be required, to:

(a) make any filings, notifications or submissions as are necessary for the purposes of implementing the Acquisition and/or in connection with the Clearances in each case with or to any Relevant Authority; and

(b) ensure that all information necessary or desirable for the making of (or responding to any requests for further information consequent upon) any such filings, notifications or submissions (including draft versions) is supplied accurately and promptly,

provided that such co-operation will be conducted in a manner reasonably designed to preserve applicable lawyer/client and lawyer work product privileges.

4.6 Without prejudice to the generality of the foregoing, and except to the extent that to do so is prohibited by Law:

(a) Bidder shall submit (or shall procure the submission of) all filings, notifications or submissions to any Relevant Authority in connection with the Clearances required to satisfy the Regulatory Conditions, in each case, as soon as practicable after the signing of this Agreement, and in any event within 10 Business Days following the date of this Agreement and Bidder shall respond to any supplemental inquiries and file any additional information requested by a Relevant Authority as soon as practicable after receipt of such request;

(b) Bidder shall be primarily responsible for preparing all such filings, submissions, correspondence and communications, subject to Clause 4.5 above;

(c) Bidder shall provide, or procure the provision of, draft copies of all notifications, filings, submissions, material correspondence and material communications intended to be sent to any Relevant Authority in relation to obtaining any Clearances to Target and its legal advisers at such time as will allow Target a reasonable opportunity to review and meaningfully comment on such notifications, filings, submissions, correspondence and communications, and Bidder shall take into account any such comments in good faith, before they are submitted or sent, and provide Target with copies of the same in the form finally submitted or sent;

(d) Bidder and Target shall in a timely fashion and to the extent permitted by applicable Law: (i) notify each other; and (ii) provide copies (in the case of written communications) or summaries (in the case of oral communications), of any material communication from any Relevant Authority in relation to obtaining any Clearance;

(e) Bidder shall be responsible for the payment of all filing or other fees levied by a Regulatory Authority in connection with the relevant Clearances. For the avoidance of doubt, each party shall be responsible for its own costs incurred in the preparation of any filings, notifications, submissions or responses in connection with obtaining any Clearance required pursuant to the Regulatory Conditions;

(f) where reasonably requested by Bidder, Target shall make available appropriate Target representatives to participate in any meetings and telephone calls requested by any Relevant Authority in connection with the obtaining of any Clearance and the implementation of the Acquisition;

(g) Bidder shall provide Target with reasonable notice of all material meetings, hearings or calls with any Relevant Authority relating to the obtaining of any Clearance and allow Target and/or its advisers: (i) to attend and participate in all such material meetings, hearings or calls with any Relevant Authority or other persons or bodies (unless prohibited by the Relevant Authority or applicable Law) provided that, where such attendance and participation is not permitted by the Relevant Authority or by applicable Law, Bidder shall, to the extent so permitted provide to Target a detailed written summary of such material meeting, hearing or call as soon as reasonably practicable afterwards;

(h) Bidder shall maintain appropriate regular and ongoing dialogue with any Relevant Authority to monitor and ensure the prompt progress of any filings, notifications or submissions, with the assistance of Target in accordance with this Agreement and offer such assistance and input as may be reasonably necessary to assist each Relevant Authority to consider and progress the relevant Clearances;

(i) Bidder and Target shall keep each other informed regularly and promptly of the progress towards satisfaction (or otherwise) of the Conditions. Each Party shall keep the other informed promptly of developments which are material or reasonably likely to be material to the obtaining of the Clearances in sufficient time to enable the Effective Date to occur prior to the Long Stop Date;

(j) Bidder undertakes to Target that until the Regulatory Conditions are satisfied it shall not enter into any acquisition, transaction or arrangement or take any action which would reasonably be expected to prevent, materially impede or materially delay the satisfaction of the Regulatory Conditions or the Acquisition becoming effective. For the avoidance of doubt, nothing in this Clause 4.6(j) shall apply to Accel-KKR and its affiliates (excluding Bidder), any Accel-KKR Funds and any portfolio company in which any Accel-KKR Fund or any of its associated companies, entities or affiliates has an equity or any other interest.

*Disclosure of sensitive information*

4.7 Nothing in this Agreement shall oblige either Bidder or Target (the "**disclosing party**") to disclose any information to the other:

(a) which the disclosing party reasonably considers to be competitively or commercially sensitive or confidential or which the disclosing party is prohibited from disclosing by the terms of an existing contract;

(b) that is personally identifiable information of a director, officer or employee of the disclosing party or its affiliated persons, unless that information can be reasonably anonymised (in which case the disclosing party shall provide the relevant information on an anonymous basis);

(c) which the disclosing party is prohibited from disclosing by Law or a Relevant Authority; or

(d) which would, if disclosed to the other party, result in the loss of privilege that exists in relation to such information (including legal professional privilege).

4.8 Where the circumstances referred to in Clauses 4.7(a) or 4.7(c) apply, the disclosing party shall disclose the relevant information to the other:

(a) pursuant to any clean team agreement to be agreed between the parties acting reasonably;

(b) on an "external counsel only" basis; or

(c) where disclosure in a manner contemplated by Clause 4.7(a) would reasonably be expected to have a material adverse effect on the disclosing party's legitimate business interest, directly to a Relevant Authority (and in such circumstances, the disclosing party shall provide to the other a non-confidential version of such information).

4.9 The provisions of Clauses 4.7 and 4.8 are without prejudice to the terms of the Confidentiality Agreement, which shall continue to have full force and effect with respect to the matters set out therein.

## 5. DOCUMENTATION

5.1 Where the Acquisition is implemented by way of a Scheme, Bidder shall:

(a) as soon as reasonably practicable, provide to Target (and/or its legal advisors) all such information about itself, its intentions, the Bidder Group and the directors of Bidder (including any information required by the Code or under applicable Law) as may be reasonably requested and which is reasonably required by Target and/or its legal advisers (having regard to the Code or under other applicable Law) for the purpose of inclusion in the Scheme Document or any other document required by the Code or any other applicable Law to be published in connection with the Scheme;

(b) as soon as reasonably practicable, provide all such other assistance and access which may reasonably be reasonably required with the preparation of the Scheme Document or any other document required by the Code or any other applicable Law to be published in connection with the Scheme, including access to, and ensuring that reasonable assistance is provided by, its professional advisers; and

(c) procure that Bidder Director (and any other Responsible Persons) accept responsibility, in the terms required by the Code, for all the information published in connection with the Scheme (including the Scheme Document) relating to:

(i) themselves (and their close relatives, related trusts and controlled companies, each as defined in the Code);

(ii) the Bidder Group;

(iii) persons acting in concert with Bidder;

(iv) Bidder's financing arrangements in connection with the Acquisition;

(v) statements of opinion, belief, intent or expectation of Bidder or Bidder Director in relation to the Acquisition, Bidder's plans for the Target Group following completion of the Acquisition or otherwise in relation to the combined group following completion of the Acquisition; and

(vi) any other information in the Scheme Document for which a bidder is required to accept responsibility under the Code.

## 6. IMPLEMENTATION OF THE SCHEME

6.1 Where the Acquisition is being implemented by way of a Scheme, Bidder shall deliver a notice in writing to Target on the Business Day prior to the Scheme Hearing, confirming either:

(a) the satisfaction or waiver of all Conditions (other than the Sanction Condition); or

(b) its intention to invoke one or more Conditions (if permitted by the Panel) and providing reasonable details of the event which has occurred, or circumstances which have arisen, which Bidder reasonably considers entitles it to invoke such Condition or treat it as unsatisfied or incapable of satisfaction and the reasons why it considers such event or circumstance sufficiently material for the Panel to permit Bidder to withdraw or lapse the Scheme.

6.2 Where the Acquisition is implemented by way of a Scheme, Bidder shall undertake to the Court to be bound by the terms of the Scheme insofar as it relates to Bidder to the extent that all the Conditions (other than the Sanction Condition) have been satisfied or waived prior to or on the date of the Scheme Hearing. Bidder shall provide such documentation or information as may reasonably be required by Target's counsel or the Court, in relation to such undertaking.

6.3 If Bidder becomes aware of any fact, matter or circumstance that it reasonably considers would allow any of the Conditions to be invoked (applying the test set out in Rule 13.5(a) of the Code and the Panel would permit it to so invoke), Bidder (subject to any restriction under applicable Law) shall, subject to applicable Law, inform Target as soon as is reasonably practicable.

## 7. TARGET SHARE PLAN AND EMPLOYEE MATTERS

The parties agree that the provisions of Schedule 2 shall apply in connection with the implementation of the Acquisition in respect of: (i) the Target Share Plan and (ii) certain employee related matters.

## 8. DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

8.1 To the extent permitted by applicable Law, for six years after the Effective Date, Bidder undertakes in favour of Target and in favour of each Relevant Officer as at and prior to the

Effective Date to procure that the members of the Target Group shall honour and fulfil their respective obligations (if any) existing at the Effective Date regarding:

8.1.1 indemnification of Relevant Officers and advancement of reasonable, documented and properly incurred expenses with respect to matters existing or occurring at or prior to the Effective Date, provided that such obligations are substantially equivalent (in their scope and limit) to those provided to directors of the relevant members of the Target Group as at the date of this Agreement; and

8.1.2 provision of assistance to directors and officers of the Target Group to the extent they need to make a claim against the existing Target Group directors' and officers' insurance policy (including any run off cover),

in each case with respect to matters existing or occurring at or prior to the Effective Date.

8.2 Bidder acknowledges and agrees that Target may purchase, or procure the provision of, at any time prior to or following the Effective Date, directors' and officers' liability insurance for current and former directors and officers of the Target Group, including directors and officers who retire or whose employment is terminated as a result of the Transaction, for acts and omissions up to and including the Effective Date, in the form of run-off cover for a period of six years following the Effective Date. Such insurance cover shall be with reputable insurers and provide cover, in terms of amount and breadth, at least as much as that provided under the Target Group's directors' and officers' liability insurance as at the date of this Agreement.

## 9. CODE

9.1 Nothing in this Agreement shall in any way limit the parties' obligations under the Code and any uncontested rulings of the Panel as to the application of the Code which may be inconsistent with the terms of this Agreement and such obligations shall take precedence over the terms of this Agreement to the extent of any such inconsistency.

9.2 The parties agree that, if the Panel determines that any provision of this Agreement that requires Target to take or not to take action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, then that provision shall have no effect and shall be disregarded and neither Target nor the Target Directors shall have any obligation to take or not take any such action.

9.3 Nothing in this Agreement shall oblige Target or the Target Directors to recommend an Offer or a Scheme proposed by Bidder.

## 10. INVALIDITY

10.1 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the Law of any jurisdiction or due to the operation of Clause 9.2:

(a) that shall not affect or impair:

(i) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

(ii) the legality, validity or enforceability under the Law of any other jurisdiction of that or any other provision of this Agreement; and

(b) if it would be legal, valid and enforceable if deleted in whole or in part or reduced in application, such provision shall apply with such deletion or reduction as may be necessary to make it valid and enforceable but the enforceability of the remainder of this Agreement shall not be affected.

## 11. TERMINATION

11.1 Subject to Clauses 11.2 and 11.3, this Agreement shall terminate with immediate effect and all rights and obligations of the parties under this Agreement shall cease:

(a) if the parties so agree in writing;

(b) if the Announcement is not released by 8.00 a.m. on the date of this Agreement (unless, prior to that time, the parties have agreed another time in accordance with Clause 2.1 in which case the later time and date shall apply for the purposes of this Clause 11.1(b));

(c) upon service of written notice by Bidder to Target, if a Target Board Adverse Recommendation Change occurs;

(d) upon service of written notice by either party if any of the following occurs:

(i) prior to the Long Stop Date, a third party offer for Target, becomes effective or is declared or becomes unconditional;

(ii) if a Competing Proposal completes, becomes effective or becomes or is declared unconditional (as applicable);

(iii) if the Acquisition (whether implemented by way of the Scheme or the Offer) is withdrawn, terminates or lapses in accordance with its terms and (where required) with the permission of the Panel, unless such lapse or withdrawal:

(a) is as a result of the exercise of Right to Switch under Clauses 3.1(a) and (b); or

(b) is to be followed promptly by a firm intention announcement (under Rule 2.7 of the Code) made by Bidder or any person acting in concert with Bidder to implement the Acquisition by a different offer or scheme on substantially the same or improved terms, and such announcement is made within five (5) Business Days of such lapse or withdrawal (or such other period as Bidder and Target may agree);

(iv) prior to the Long Stop Date: (a) any Condition which has not been waived is (or has become) incapable of satisfaction by the Long Stop Date and, notwithstanding that it has the right to waive such Condition, Bidder has stated in writing that it shall not do so; or (b) any Condition which is incapable of waiver is (or has become) incapable of satisfaction by the Long Stop Date, in each case in circumstances where the invocation of the relevant Condition is permitted by the Panel;

(v) if the Scheme is not approved at the Court Meeting, the General Meeting Resolutions are not passed at the General Meeting or the Court refuses to sanction the Scheme; or

(vi) unless otherwise agreed by the parties in writing or required by the Panel, the Effective Date has not occurred by the Long Stop Date; or

(e) if the Effective Date occurs.

11.2 Termination of this Agreement shall be without prejudice to the rights of either party that may have arisen at or prior to termination.

11.3 Clauses 1 and 9 to 16 (inclusive) and Clauses 7 and 8 (but only in circumstances where this Agreement is terminated on or after the Effective Date) shall survive termination of this Agreement.

## 12. WARRANTIES

12.1 Each of the parties warrants to the other that on the date of this Agreement:

(a) it has the requisite power and authority to enter into and perform its obligations under this Agreement;

(b) this Agreement constitutes its binding obligations in accordance with its terms;

(c) the execution and delivery of, and performance of its obligations under, this Agreement shall not:

(i) result in any breach of any provision of its constitutional documents;

(ii) result in a breach of, or constitute a default under, any instrument to which it is a party or by which it is bound; or

(iii) result in a breach of any order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.

12.2 Bidder warrants to Target on the date of this Agreement that:

(a) no resolutions or approvals of its shareholders are required to enable it lawfully to enter into and implement the Acquisition; and

(b) it is not aware of any circumstances which could reasonably be expected to prevent any of the Conditions from being satisfied.

12.3 No party shall have any claim against the other for breach of warranty after the Effective Date (without prejudice to any liability to fraudulent misrepresentation or fraudulent misstatement).

## 13. INFORMATION AND ASSISTANCE PROVIDED TO BIDDER

13.1 Bidder acknowledges that any information and/or assistance provided by Target or any of the Target Group's directors, officers, employees, contractors or advisers (each a "**Target Representative**") to it and/or any of the Wider Bidder Group, whether before, on or after the date of this Agreement: (i) pursuant to the obligations of Target or any member of the Target Group under or otherwise in connection with this Agreement; or (ii) in connection with the Acquisition shall in each case be (and have been) given on the basis that neither Target nor any Target Representative shall incur any liability, whether in contract, tort (including negligence) or otherwise, in respect of any loss or damage that any of the Bidder's Group or any of their respective directors, officers, employees or advisers may suffer as a result of the provision of any such information and/or assistance (save, in each case for loss or damage resulting from fraudulent misrepresentation by Target or any Target Representative).

## 14. NOTICES

14.1 A notice under or in connection with this Agreement (a "**Notice**") must be in writing and shall be delivered personally or by recorded delivery mail or by email to the party due to receive the Notice to the address specified in Clause 14.2.

14.2 The address of each party referred to in Clause 14.1 above is:

(a) in the case of Bidder:

**Avocet Bidco Limited**

For the attention of: [redacted]

Email: [redacted]

In copy (but such copy shall not constitute Notice): [redacted]

(b) in the case of Target:

**Eleco plc**
Dawson House
5 Jewry Street
London
United Kingdom
EC3N 2EX

For the attention of: [redacted]

Email: [redacted]

In copy (but such copy shall not constitute Notice): [redacted]

14.3 A party may change its notice details on giving notice to the other party of the change in accordance with this Clause 14.

14.4 Unless there is evidence that it was received earlier, a Notice is deemed given:

(a) if delivered personally, on the date and time when left at the relevant address;

(b) if sent by recorded delivery (other than air mail), two (2) Business Days after posting it; and

(c) if sent by email, on the date and time when sent, provided that: (i) the sender does not receive a notice of non-delivery; and (ii) a copy of such notice is also delivered personally or sent by recorded delivery within three Business Days of the date on which the e-mail is sent,

provided that any Notice that would otherwise be deemed given outside of the hours of 9:00 a.m. to 5:30 p.m. on a Business Day shall be deemed to be given at 9:00 a.m. of the next Business Day.

14.5 The provisions of this Clause 14 shall not apply in relation to the service of service documents.

**15. GENERAL PROVISIONS**

*Variation*

15.1 No variation or amendment or modification to this Agreement shall be effective unless made in writing (which for this purpose, does not include email) and executed by each of the Parties.

*Remedies and waivers*

15.2 No delay or omission by any party in exercising any right, power or remedy provided by Law or under this Agreement shall:

15.2.1 affect that right, power or remedy; or

15.2.2 operate as a waiver of it.

15.3 The single or partial exercise of any right, power or remedy provided by Law or under this Agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.

15.4 The rights, powers and remedies provided for in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by Law.

15.5 Without prejudice to any other rights and remedies which a party may have, the parties acknowledge that damages may not be an adequate remedy for any breach or threatened breach by it of this Agreement and that the party who is not in breach shall be entitled without proof of special damage to seek injunctive relief and other equitable remedy (including specific performance).

15.6 Nothing in this Agreement shall oblige Target to pay an amount in damages which the Panel determines would not be permitted by Rule 21.2 of the Code.

*Assignment*

15.7 Neither party may assign (whether absolutely or by way of security and whether in whole or in part), transfer, mortgage, charge, declare itself a trustee for a third party of, or otherwise dispose of (in any manner whatsoever) the benefit of this Agreement or sub- contract or delegate in any manner whatsoever its performance under this Agreement (each of the above a "**dealing**") and any purported dealing in contravention of this Clause 15.7 shall be ineffective.

*Counterparts*

15.8 This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart.

15.9 Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

*Costs and Expenses*

15.10 Except as otherwise stated in this Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and any matters contemplated by it.

*No Partnership*

15.11 Nothing in this Agreement and no action taken by the parties under this Agreement shall constitute a partnership, joint venture or agency relationship between any of the parties. A party has no authority to bind or contract in the name of another party in any way or for any purpose by virtue of this Agreement.

*Entire Agreement*

15.12 The provisions of this Agreement shall be supplemental to and shall not prejudice the terms of the Confidentiality Agreement which shall remain in full force and effect. This Agreement, together with the Confidentiality Agreement, represents the entire understanding, and constitutes the whole agreement, in relation to its subject matter and supersedes any previous agreement (whether written or oral) between the parties with respect thereto.

15.13 Each Party confirms that, except as provided in this Agreement and the Confidentiality Agreement, neither Party has relied on any understanding, representation or warranty which is not contained in this Agreement nor the Confidentiality Agreement and, without prejudice to any liability for fraudulent misrepresentation or fraudulent misstatement, neither Party shall be under any liability or shall have any remedy in respect of any misrepresentation or untrue statement unless and to the extent that a claim lies under this Agreement nor the Confidentiality Agreement.

*Further Assurances*

15.14 Each party shall, at its own cost, use reasonable endeavours to, or procure that any relevant third party shall, do and/or execute and/or perform all such further deeds, documents, assurances, acts and things as may reasonably be required to give effect to this Agreement.

*Rights of Third Parties*

15.15 Clauses 8 and 13.1 (the "**Third Party Rights Provisions**") are intended to confer benefits on and be enforceable by the third parties referred to therein (each a "**Relevant Third Party**"). The parties shall not require the consent of any person (including any Relevant Third Party) other than the parties to vary or amend this Agreement, except for any variation or amendment of the Third Party Rights Provisions on or following the Effective Date, which shall require the consent of the affected Relevant Third Party.

15.16 Except as specified in Clause 15.15, the parties to this Agreement do not intend that any term of this Agreement should be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person who is not a party to this Agreement.

**16. GOVERNING LAW**

16.1 This Agreement is to be governed by and construed in accordance with English law. Any matter, claim or dispute arising out of or in connection with this Agreement, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.

16.2 The Courts of England shall have exclusive jurisdiction in relation to any dispute or claim arising out of or in connection with this Agreement or its subject matter, existence, negotiation, validity, termination or enforceability (including non-contractual disputes or claims).

16.3 Each party irrevocably waives any right that it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts have no jurisdiction.

**SCHEDULE 1**
**FIRM INTENTION ANNOUNCEMENT**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION**

**FOR IMMEDIATE RELEASE**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**10 September 2026**

# RECOMMENDED CASH ACQUISITION

**of**

**Eleco plc**

**by**

**Avocet Bidco Limited**

**(a newly formed company which will, as at the Effective Date, be indirectly wholly-owned by funds managed and/or advised by Accel-KKR and its affiliates)**

**to be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006**

## Summary

- The boards of directors of Avocet Bidco Limited ("**Bidco**") and Eleco plc ("**Eleco**") are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash offer by Bidco for the entire issued, and to be issued, ordinary share capital of Eleco.

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act.

- Under the terms of the Acquisition, each Eleco Shareholder will be entitled to receive:

**for each Eleco Share held: 235 pence in cash**

- The Acquisition Price per Eleco Share represents a premium of approximately:

    - 74.7 per cent. to the Closing Price of 134.5 pence per Eleco Share on 9 September 2026 (being the last Business Day before the date of this announcement);

    - 86.0 per cent. to the volume-weighted average price of 126.3 pence per Eleco Share for the three-month period ended 9 September 2026 (being the last Business Day before the date of this announcement);

    - 89.9 per cent. to the volume-weighted average price of 123.8 pence per Eleco Share for the six-month period ended 9 September 2026 (being the last Business Day before the date of this announcement); and

  - 77.7 per cent. to the volume-weighted average price of 132.2 pence per Eleco Share for the twelve-month period ended 9 September 2026 (being the last Business Day before the date of this announcement).

- The Acquisition values Eleco's entire issued, and to be issued, ordinary share capital at approximately £207.6 million on a fully diluted basis, and implies an enterprise value of £192.4 million, a multiple of approximately 20.2 times Eleco's EBITDA for the twelve months ended 31 December 2025 and approximately 31.9 times Eleco's Cash EBITDA for the same period.

- Eleco Shareholders representing 45.2 per cent. of Eleco Shares are supportive of the Acquisition through irrevocable undertakings and letters of intent, as described in further detail in Appendix 3 to this announcement.

- If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the Eleco Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Eleco Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights 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 Scheme or the Acquisition. In such circumstances, Eleco Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.

**Recommendation**

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

- Accordingly, the Eleco Directors intend to unanimously recommend that Eleco Shareholders vote in favour (or procure votes in favour) of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting as the Eleco Directors who hold Eleco Shares as at the date of this announcement have irrevocably undertaken to do (or procure to be done) in respect of their own beneficial holdings over which they have control, being, in aggregate 408,725 Eleco Shares, representing approximately 0.5 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement. Further details of these undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

**Background to and reasons for the Acquisition**

- Accel-KKR has for some time followed Eleco closely with great admiration and interest, and believes that, under the leadership of Jonathan Hunter, Neil Pritchard and the broader management team, and with the support of the Eleco Board and shareholders, Eleco has transformed its business from its heritage in building and lighting equipment production to a technology business with a strong position in the building lifecycle technology market by providing a differentiated platform that serves stakeholders across the construction value chain.

- Through its leading product portfolio, proprietary construction scheduling data and business logic, deep customer relationships and a consistent track record of execution, Eleco has established a strong position in the market and earned a reputation as a trusted partner to its customers.

- Accel-KKR believes that it can support Eleco in its continued product development, SaaS transition and AI implementation to maximise its market opportunity by providing additional resources and capital to enable both organic and inorganic growth, as well as the expertise and operational and strategic support brought through its extensive experience in helping technology businesses expand internationally.

**Background to and reasons for the recommendation**

- Eleco has been successfully transformed from a building products business to a specialist provider of software and related services to the built environment. Eleco entered the software market in 2002 through the acquisitions of ESIGN Software GmbH in Germany and Consultec AB in Sweden and subsequently acquired Asta Group Limited and its Powerproject project management software in the United Kingdom. Over the following years, Eleco progressively divested its legacy building products operations to become a provider of software and related services to the built environment. More recently, Eleco has continued to build out its portfolio of businesses through the acquisitions of BestOutcome Limited and the Vertical Digital group of companies, PMI Software Limited (Pemac), an Irish provider of computerised maintenance management software, and Kivue Limited, a UK-based provider of project portfolio management SaaS software. In addition, Eleco has recently sharpened its strategic focus on its core building lifecycle businesses through the disposal of its German-based visualisation business, Veeuze GmbH.

- Alongside this business transformation, Eleco has successfully transitioned its business model from perpetual software licences to subscription and SaaS-based revenues while maintaining profitability during the transition. In the financial year ended 31 December 2025, recurring revenues represented 81 per cent. of total revenues, annualised recurring revenue increased by 29 per cent. to £34.3 million, and the Eleco Group delivered revenue growth of 20 per cent. to £38.8 million and Adjusted EBITDA growth of 32 per cent. to £10.2 million, while remaining debt free with cash of £16.3 million. This performance has continued into the current financial year, with the Eleco Group reporting record annualised recurring revenue of approximately £35.5 million at 30 June 2026 and organic revenue growth of 15 per cent. for the first half of 2026. Nonetheless, the Eleco Board believes that Eleco's market valuation does not fully reflect the development of the business over the last few years, the strength of its recurring revenue base and its opportunities and prospects.

- Following an unsolicited approach from Accel-KKR earlier this year with a proposal regarding a possible offer for Eleco and subsequent negotiations, the Eleco Board agreed to enter into a due diligence process. This resulted in Accel-KKR confirming the terms set out in this announcement. The Eleco Board has carefully considered the options available to Eleco and, while it is confident that Eleco can continue to create value over the long-term as a standalone AIM-quoted company, it also recognises that the pace of investment required in product innovation, cloud platforms, artificial intelligence and go-to-market capabilities is increasing across the software sector. Realising Eleco's full potential would require the successful execution of these investments, with the associated risks over a number of years. Following the Acquisition, the Eleco Board believes that Eleco will be better positioned to accelerate these investments for the benefit of customers and employees.

- The Eleco Board has unanimously concluded that the offer from Accel-KKR provides a compelling return for Eleco Shareholders and is in the best interests of Eleco Shareholders as a whole, for the following reasons:

  - the terms of the Acquisition represent a very attractive premium of approximately:

    - 74.7 per cent. to the Closing Price of 134.5 pence per Eleco Share on 9 September 2026 (being the last Business Day prior to the commencement of the Offer Period);

    - 89.9 per cent. to the volume-weighted average price of 123.8 pence per Eleco Share for the six-month period ended on 9 September 2026 (being the last Business Day prior to the commencement of the Offer Period); and

    - 77.7 per cent. to the volume-weighted average price of 132.2 pence per Eleco Share for the twelve-month period ended on 9 September 2026 (being the last Business Day prior to the commencement of the Offer Period);

  - it provides an opportunity for Eleco Shareholders to achieve a full realisation of the value of their investment in cash in a company whose shares have limited daily trading liquidity on AIM, and for which it would otherwise be challenging for Eleco Shareholders of scale to realise their shareholdings in full without adversely affecting the Eleco Share price;

  - the certainty of realising cash value under the Acquisition today should be weighed against the inherent uncertainty of the risks associated with the time and investment required to realise the value that Eleco could generate in the future. Those risks include macroeconomic uncertainty, an unstable geopolitical landscape, the cyclical nature of the construction and built environment end-markets, competitive forces (including the rapid pace of technological and AI-driven change in the software industry) and the execution risks inherent in Eleco's ongoing acquisition-led growth strategy; and

  - the Acquisition represents an attractive implied enterprise value multiple of approximately 20.2x EBITDA for the year ended 31 December 2025 and approximately 31.9 times Eleco's Cash EBITDA for the same period.

- In addition to the financial terms of the Acquisition, the Eleco Board has taken into account Accel-KKR's intentions for the Eleco business, its management team, employees and other stakeholders. The Eleco Board welcomes Accel-KKR's stated intention that Bidco does not intend to make any material reduction to the Eleco Group's headcount, changes to the conditions of employment or the balance of skills and functions of the employees and management of the Eleco Group. The Eleco Board also welcomes Accel-KKR's confirmation that, following completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions, of all Eleco employees will be fully safeguarded in accordance with applicable laws.

- The Eleco Board believes that Eleco will also benefit from ownership by Accel-KKR, with its financial resources and deep sector expertise, which will support Eleco in investing for growth and in accelerating the deployment of its strategy for the benefit of customers and employees.

- Accordingly, having considered all of these factors, the Eleco Directors, who have been so advised by Stephens as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable and intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Eleco Shareholders vote in favour of the Resolution(s) at the General Meeting. In providing its advice to the Eleco Directors, Stephens has taken into account the commercial assessments of the Eleco Directors. Stephens is providing independent financial advice to the Eleco Directors for the purposes of Rule 3 of the Takeover Code.

**Irrevocable undertakings and letters of intent**

- Bidco has received irrevocable undertakings from the Eleco Directors who hold Eleco Shares to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept (or procure the acceptance of) such Offer), in respect of, in aggregate, 408,725 Eleco Shares, representing approximately 0.5 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement. These undertakings will remain binding in the event that a higher competing offer for Eleco is made.

- Bidco has also received irrevocable undertakings from Allen & Co and certain members of the Ketteley family to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure the acceptance of such Offer), in respect of 19,788,330 Eleco Shares, representing approximately 23.4 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement.

- In addition, Bidco has received non-binding letters of intent from Charles Stanley, J O Hambro, Janus and Jupiter to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure the acceptance of such Offer), in respect of 17,964,862 Eleco Shares, representing approximately 21.3 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement.

- In total therefore, Bidco has received irrevocable undertakings and letters of intent to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure the acceptance of such Offer) in respect of, in aggregate, 38,161,917 Eleco Shares, representing approximately 45.2 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement.

- Further details of these irrevocable undertakings and letters of intent (including the circumstances in which they cease to be binding) are set out in Appendix 3 to this announcement.

**Information relating to Bidco and Accel-KKR**

- Bidco is a private limited company incorporated in England and Wales. It is a newly formed company which will, as at the Effective Date, be indirectly wholly-owned by funds managed and/or advised by Accel-KKR and its affiliates. Bidco was formed for the purposes of the Acquisition and has not traded since its date of formation, nor has it entered into any obligations other than in connection with the Acquisition.

- Accel-KKR is a global private equity firm with over $23 billion in cumulative capital commitments. Accel-KKR focuses on investing in mid-market software and technology-enabled services companies. Founded in 2000, Accel-KKR has extensive experience investing in growth technology companies across a range of sectors, including the construction and facilities management industries. Accel-KKR is authorised and regulated by the Securities and Exchange Commission.

**Information relating to Eleco**

- Eleco is a specialist international provider of software and related services to the built environment, headquartered in London, United Kingdom.

- Eleco operates through its operating brands Eleco, BestOutcome, Pemac, and Eleco Technologies, from centres of excellence in the UK, Ireland, Sweden, Germany, the Netherlands, Romania, and the U.S. The Eleco Group's software solutions are used throughout the building lifecycle, from early planning and design stages to construction, interior fit out, asset management and facilities management, supporting project management, estimation, building information modelling (BIM) and property management. The Eleco Group's principal products include Asta Powerproject and Bidcon (project planning, scheduling and cost management), IconSystem (design standards and data management), ShireSystem and Pemac (computerised maintenance management and facilities management), and PM3 and Kivue (project portfolio management). Eleco's software has been used on high-profile projects including The Shard and V&A Museum in London, the Warsaw Metro extension in Poland and Hong Kong International Airport, Hong Kong. As at 31 December 2025, the Eleco Group had 316 employees across eight countries.

- For the financial year ended 31 December 2025, Eleco reported revenue of £38.8 million, an increase of 20 per cent. (2024: £32.4 million), Adjusted EBITDA of £10.2 million, an increase of 32 per cent. (2024: £7.7 million), and adjusted profit before taxation of £7.3 million, an increase of 35 per cent. (2024: £5.4 million), annualised recurring revenue at 31 December 2025 increased by 29 per cent. to £34.3 million (2024: £26.6 million) and total recurring revenue increased by 26 per cent. to £31.3 million (2024: £24.9 million), representing 81 per cent. of total revenue (2024: 77 per cent.). Cash at 31 December 2025 was £16.3 million (2024: £14.0 million), the Eleco Group remained free of debt, and total dividends for the year were increased by 20 per cent. to 1.20 pence per Eleco Share. The 2025 results included a non-cash impairment charge of £2.3 million in respect of the carrying value of the Eleco Group's former visualisation business, Veeuze.

- On 23 July 2026, Eleco released a trading update for the six months ended 30 June 2026, reporting:

    - annualised recurring revenue at 30 June 2026 up 16 per cent. to approximately £35.5 million (30 June 2025: £30.7 million), a further record for the Eleco Group, with organic annualised recurring revenue up approximately 23 per cent.;

    - total recurring revenue up 14 per cent. to approximately £16.9 million, representing 85 per cent. of total revenue (H1 2025: 81 per cent.);

    - total revenue up 8 per cent. to approximately £19.9 million (H1 2025: £18.4 million), with organic revenue growth of 15 per cent.; and

    - cash at 30 June 2026 of £15.4 million, with the Eleco Group remaining free of debt.

- Eleco's interim results for the six months ended 30 June 2026 are expected to be released on 15 September 2026.

**Timetable and Conditions**

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Bidco reserves the right to implement the Acquisition by way of an Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement).

- The Acquisition is conditional on, among other things, the approval of the requisite majority of Eleco Shareholders at the Court Meeting and at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of Scheme Shareholders, present and voting (and entitled to vote) at the Court Meeting, whether in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by such Scheme Shareholders. In addition, a special resolution implementing the Scheme must be passed by Eleco Shareholders representing at least 75 per cent. of votes cast at the General Meeting. In addition, following the Court Meeting and the General Meeting, the Scheme must be sanctioned by the Court. The Scheme must become Effective no later than the Long Stop Date.

- The Acquisition is subject to the satisfaction or, where applicable, waiver of the Conditions. The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement along with certain other terms. The full terms and conditions will be provided in the Scheme Document.

- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the associated forms of proxy, will be sent to Eleco Shareholders as soon as practicable and in any event within 28 days of this announcement (or such later time as Eleco, Bidco and the Panel agree) and the Meetings are expected to be held as soon as reasonably practicable thereafter. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Bidco's website at www.projecteagleoffer.com and Eleco's website at https://ir.eleco.com/.

- The Acquisition is currently expected to complete during or prior to Q1 2027, subject to the satisfaction or (where applicable) waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be set out in the Scheme Document.

- Commenting on this announcement, Mark Castle, the Non-Executive Chair of Eleco, said:

  *"Eleco has successfully transformed from a building products business to a specialist provider of software and related services to the built environment. Alongside this business transformation, Eleco has successfully transitioned its business model from perpetual software licences to subscription and SaaS-based revenues while maintaining profitability. All our colleagues and shareholders should be proud of these achievements.*

  *Following the Acquisition, the Eleco Board believes that, with the support of Accel-KKR, Eleco will be better positioned to grow the business for the benefit of customers and colleagues.*

  *The Eleco Board has unanimously concluded that they intend to recommend this offer, which provides a compelling return for our shareholders and is in the best interests of shareholders and wider stakeholders."*

- Commenting on this announcement, Maurice Hernandez, a Managing Director of Accel-KKR, said:

  "*Eleco has built a leading construction technology platform with a strong reputation among its customers through its domain expertise, and we look forward to partnering with the Eleco team to build on that foundation and support the company's next phase of growth.*"

**This summary should be read in conjunction with, and is subject to, the full text of this announcement (including its Appendices). The conditions to, and certain further terms of, the Acquisition are set out in Appendix 1 and will be set out in full in the Scheme Document. The sources and bases for certain financial information contained in this summary and this announcement are set out in Appendix 2. Details of irrevocable undertakings and letters of intent received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.**

**Enquiries**

| | |
|---|---|
| **Kekst CNC (PR Adviser to Accel-KKR and Bidco)** | +1 917 992 1170 |
| Todd Fogarty | |
| **N.M. Rothschild & Sons Limited (Financial Adviser to Accel-KKR and Bidco)** | +44 (0)20 7280 5000 |
| Anton Black | |
| Jose Benito Sanz | |

**Eleco plc** +44 (0)20 7422 8000

Mark Castle, Non-Executive Chair

Jonathan Hunter, Chief Executive Officer

Neil Pritchard, Chief Financial Officer

**Stephens Europe Limited (Lead Financial Adviser and Rule 3 Adviser to Eleco)** +44 20 3757 9900

Graham Paton

Thorsten Behrens

**Cavendish Capital Markets Limited (Nominated Adviser, Sole Broker and Financial Adviser to Eleco)** +44 (0)20 7220 0500

Geoff Nash

Henrik Persson

Seamus Fricker

Elysia Bough

Kirkland & Ellis International LLP is acting as legal adviser to Bidco and Accel-KKR.

Dorsey & Whitney (Europe) LLP is acting as legal adviser to Eleco.

**Further information**

*Rothschild & Co, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Bidco and Accel-KKR and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Bidco and Accel-KKR for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.*

*Stephens, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Eleco and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Eleco for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.*

*Cavendish, which, in the United Kingdom, is authorised and regulated by the Financial Conduct Authority, is acting exclusively for Eleco and no one else in connection with the Acquisition and will not be responsible to anyone other than Eleco for providing the protections afforded to clients of Cavendish nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement.*

*This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any* *jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Eleco in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*Eleco and Bidco shall prepare the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document) to be distributed to Eleco Shareholders. Eleco and Bidco urge Eleco Shareholders to read the Scheme Document when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.*

*This announcement contains inside information in relation to Eleco for the purposes of Article 7 of the Market Abuse Regulation. With publication of this announcement, this information is now considered to be in the public domain. The person responsible for arranging the release of this announcement on behalf of Eleco is Neil Pritchard.*

***If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or 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 not, from another appropriately authorised independent financial adviser.***

**Overseas shareholders**

*The release, publication or distribution of this announcement 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. 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the AIM Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of England.*

*The availability of the Acquisition to Eleco 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. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, in whole or in part, directly or indirectly, in, into, from, 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 any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme 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 announcement and any formal documentation relating to the Acquisition 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 them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in, into, from 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 or from within any Restricted Jurisdiction.*

*Eleco Shareholders should be aware that the transaction contemplated herein may have tax consequences and that such consequences, if any, are not described herein. Eleco Shareholders are urged to consult with appropriate legal, tax and financial advisers in connection with the consequences of the Acquisition on them.*

*Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

**Notice to U.S. Eleco Shareholders**

*The Acquisition relates to the shares of an English limited company with a listing on the Alternative Investment Market and is being made by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**"). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom to takeover offers and schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.*

*It may be difficult for U.S. holders of Eleco Shares to enforce their rights and any claim arising out of the U.S. federal laws, since Bidco and Eleco are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of Eleco Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Accel-KKR, its nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Eleco Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, Rothschild & Co will continue to act as an exempt principal trader in Eleco Shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website, www.londonstockexchange.com/.*

*U.S. Eleco Shareholders also should be aware that the transaction contemplated herein may have tax consequences in the U.S. and that such consequences, if any, are not described herein. U.S. Eleco Shareholders are urged to consult with appropriate legal, tax and financial advisers in connection with making a decision regarding the Acquisition.*

**Forward looking statements**

*This announcement (including information incorporated by reference in this announcement), statements made regarding the Acquisition, and other information published by Bidco and Eleco contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and Eleco 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 announcement include statements relating to the expected effects of the Acquisition on Bidco and Eleco (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "cost-saving", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco's, Eleco's, any member of the Bidco Group's or any member of the Eleco Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco's, Eleco's, any member of the Bidco Group's or any member of the Eleco Group's business.*

*Although Bidco and Eleco believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Eleco can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.*

*These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments (including exposures to terrorist activities, the Russia-Ukraine conflict, the ongoing conflicts in the Middle East and disruption in business operations due to reorganisation activities) and* *in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; and changes in the anticipated benefits from the Acquisition not being realised as a result of: changes in general economic and market conditions in the countries in which Bidco and Eleco operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Bidco and Eleco operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Eleco, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to Bidco or any member of the Wider Bidco Group or the Eleco Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.*

*Other than in accordance with their legal or regulatory obligations, neither Bidco nor Eleco is under any obligation, and Bidco and Eleco expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

**Dealing and opening position disclosure requirements**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the 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.*

**Publication on a website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Bidco's website at www.projecteagleoffer.com and Eleco's website at https://ir.eleco.com/ by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from any hyperlinks set out in this announcement is incorporated by reference or forms part of this announcement.*

**No profit forecasts, estimates or quantified benefits statements**

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

**Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, Eleco Shareholders, persons with information rights and participants in the Eleco Share Plan may request a hard copy of this announcement (and any document or information incorporated into it by reference to another source) by: (i) submitting a request in writing to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD; or (ii) telephoning Neville Registrars on +44 (0) 121 585 1131. Calls are charged at the standard geographical rate and will vary by provider. If calling from outside of the United Kingdom, please ensure the country code is used. Lines will be open from 9.00 a.m. to 5.00 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement (and any document or information incorporated by reference into this announcement) will not be sent unless so requested. In accordance with Rule 30.3 of the Takeover Code, such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be sent in hard copy form.*

**Electronic communications**

*Please be aware that addresses, electronic addresses and certain other information provided by Eleco Shareholders, persons with information rights and other relevant persons for the receipt of communications from Eleco may be provided to Bidco 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.*

## Rounding

*Certain figures included in this announcement 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 figures that precede them.*

## General

*Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments to reflect the change in method of implementation and the terms of the Cooperation Agreement).*

*If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Eleco Shares in respect of which the Offer has not been accepted.*

*Investors should be aware that Bidco may purchase Eleco Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.*

## Rule 2.9 of the Takeover Code

*For the purposes of Rule 2.9 of the Takeover Code, Eleco confirms that, as at the date of this announcement, it had in issue 84,387,572 ordinary shares of 1 pence each. Eleco does not hold any ordinary shares in treasury. The ISIN for the ordinary shares is GB0003081246 and Eleco's LEI number is 21380016GT9Z6ZQX4T37.*

## Disclaimer

*The information contained herein does not constitute an offer to sell, nor a solicitation of an offer to buy, any security, and may not be used or relied upon in connection with any offer or solicitation. Any offer or solicitation in respect of Accel-KKR Funds will be made only through a confidential private placement memorandum and related documents which will be furnished to qualified investors on a confidential basis in accordance with applicable laws and regulations. The information contained herein is not for publication or distribution to persons in the U.S. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold without registration thereunder or pursuant to an available exemption therefrom. Any offering of securities to be made in the U.S. would have to be made by means of an offering document that would be obtainable from the issuer or its agents and would contain detailed information about the issuer of the securities and its management, as well as financial information. The securities may not be offered or sold in the U.S. absent registration or an exemption from registration.*

*The Acquisition will be subject to English law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the AIM Rules and the Registrar of Companies.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION**

**FOR IMMEDIATE RELEASE**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**10 September 2026**

**RECOMMENDED CASH ACQUISITION**

**of**

**Eleco plc**

**by**

**Avocet Bidco Limited**

**(a newly formed company which will, as at the Effective Date, be indirectly wholly-owned by funds managed and/or advised by Accel-KKR and its affiliates)**

**to be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006**

## 1 INTRODUCTION

The boards of directors of Avocet Bidco Limited ("**Bidco**") and Eleco plc ("**Eleco**") are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash offer to be made by Bidco for the entire issued, and to be issued, ordinary share capital of Eleco.

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Bidco reserves the right to effect the Acquisition by way of an Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement). The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement.

## 2 THE ACQUISITION

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this announcement and the full terms and conditions to be set out in the Scheme Document, each Eleco Shareholder will be entitled to receive:

**for each Eleco Share held: 235 pence in cash**

The Acquisition Price per Eleco Share represents a premium of approximately:

- 74.7 per cent. to the Closing Price of 134.5 pence per Eleco Share on 9 September 2026 (being the last Business Day before the date of this announcement);

- 86.0 per cent. to the volume-weighted average price of 126.3 pence per Eleco Share for the three-month period ended 9 September 2026 (being the last Business Day before the date of this announcement);

- 89.9 per cent. to the volume-weighted average price of 123.8 pence per Eleco Share for the six-month period ended 9 September 2026 (being the last Business Day before the date of this announcement); and

- 77.7 per cent. to the volume-weighted average price of 132.2 pence per Eleco Share for the twelve-month period ended 9 September 2026 (being the last Business Day before the date of this announcement).

The Acquisition values Eleco's entire issued, and to be issued, ordinary share capital at approximately £207.6 million on a fully diluted basis, and implies an enterprise value of £192.4 million, a multiple of approximately 20.2 times Eleco's EBITDA for the twelve months ended 31 December 2025 and approximately 31.9 times Eleco's Cash EBITDA for the same period.

Eleco Shareholders representing 45.2 per cent. of Eleco Shares are supportive of the Acquisition through irrevocable undertakings and letters of intent, as described in further detail in Appendix 3 to this announcement.

The Eleco Shares will be acquired pursuant to the Acquisition fully paid 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 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 with a record date on or after the Effective Date.

If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the Eleco Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Eleco Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights 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 Scheme or the Acquisition. In such circumstances, Eleco Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.

## 3 RECOMMENDATION

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

Accordingly, the Eleco Directors intend to unanimously recommend that Eleco Shareholders vote in favour (or procure votes in favour) of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting as the Eleco Directors who hold Eleco Shares as at the date of this announcement have irrevocably undertaken to do (or procure to be done) in respect of their own beneficial holdings over which they have control, being, in aggregate 408,725 Eleco Shares, representing approximately 0.5 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement. Further details of these undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

## 4 BACKGROUND TO AND REASONS FOR THE ACQUISITION

Accel-KKR has for some time followed Eleco closely with great admiration and interest, and believes that, under the leadership of Jonathan Hunter, Neil Pritchard and the broader management team, and with the support of the Eleco Board and shareholders, Eleco has transformed its business from its heritage in building and lighting equipment production to a technology business with a strong position in the building lifecycle technology market by providing a differentiated platform that serves stakeholders across the construction value chain.

Through its leading product portfolio, proprietary construction scheduling data and business logic, deep customer relationships and a consistent track record of execution, Eleco has established a strong position in the market and earned a reputation as a trusted partner to its customers.

Accel-KKR believes that it can support Eleco in its continued product development, SaaS transition and AI implementation to maximise its market opportunity by providing additional resources and capital to enable both organic and inorganic growth, as well as the expertise and operational and strategic support brought through its extensive experience in helping technology businesses expand internationally.

## 5 BACKGROUND TO AND REASONS FOR THE RECOMMENDATION

Eleco has been successfully transformed from a building products business to a specialist provider of software and related services to the built environment. Eleco entered the software market in 2002 through the acquisitions of ESIGN Software GmbH in Germany and Consultec AB in Sweden and subsequently acquired Asta Group Limited and its Powerproject project management software in the United Kingdom. Over the following years, Eleco progressively divested its legacy building products operations to become a provider of software and related services to the built environment. More recently, Eleco has continued to build out its portfolio of businesses through the acquisitions of BestOutcome Limited and the Vertical Digital group of companies, PMI Software Limited (Pemac), an Irish provider of computerised maintenance management software, and Kivue Limited, a UK-based provider of project portfolio management SaaS software. In addition, Eleco has recently sharpened its strategic focus on its core building lifecycle businesses through the disposal of its German-based visualisation business, Veeuze GmbH.

Alongside this business transformation, Eleco has successfully transitioned its business model from perpetual software licences to subscription and SaaS-based revenues while maintaining profitability during the transition. In the financial year ended 31 December 2025, recurring revenues represented 81 per cent. of total revenues, annualised recurring revenue increased by 29 per cent. to £34.3 million, and the Eleco Group delivered revenue growth of 20 per cent. to £38.8 million and Adjusted EBITDA growth of 32 per cent. to £10.2 million, while remaining debt free with cash of £16.3 million. This performance has continued into the current financial year, with the Eleco Group reporting record annualised recurring revenue of approximately £35.5 million at 30 June 2026 and organic revenue growth of 15 per cent. for the first half of 2026. Nonetheless, the Eleco Board believes that Eleco’s market valuation does not fully reflect the development of the business over the last few years, the strength of its recurring revenue base and its opportunities and prospects.

Following an unsolicited approach from Accel-KKR earlier this year with a proposal regarding a possible offer for Eleco and subsequent negotiations, the Eleco Board agreed to enter into a due diligence process. This resulted in Accel-KKR confirming the terms set out in this announcement. The Eleco Board has carefully considered the options available to Eleco and, while it is confident that Eleco can continue to create value over the long-term as a standalone AIM-quoted company, it also recognises that the pace of investment required in product innovation, cloud platforms, artificial intelligence and go-to-market capabilities is increasing across the software sector. Realising Eleco's full potential would require the successful execution of these investments, with the associated risks over a number of years. Following the Acquisition, the Eleco Board believes that Eleco will be better positioned to accelerate these investments for the benefit of customers and employees.

The Eleco Board has unanimously concluded that the offer from Accel-KKR provides a compelling return for Eleco Shareholders and is in the best interests of Eleco Shareholders as a whole, for the following reasons:

- the terms of the Acquisition represent a very attractive premium of approximately:
    - 74.7 per cent. to the Closing Price of 134.5 pence per Eleco Share on 9 September 2026 (being the last Business Day prior to the commencement of the Offer Period);
    - 89.9 per cent. to the volume-weighted average price of 123.8 pence per Eleco Share for the six-month period ended on 9 September 2026 (being the last Business Day prior to the commencement of the Offer Period); and
    - 77.7 per cent. to the volume-weighted average price of 132.2 pence per Eleco Share for the twelve-month period ended on 9 September 2026 (being the last Business Day prior to the commencement of the Offer Period);
- it provides an opportunity for Eleco Shareholders to achieve a full realisation of the value of their investment in cash in a company whose shares have limited daily trading liquidity on AIM, and for which it would otherwise be challenging for Eleco Shareholders of scale to realise their shareholdings in full without adversely affecting the Eleco Share price;
- the certainty of realising cash value under the Acquisition today should be weighed against the inherent uncertainty of the risks associated with the time and investment required to realise the value that Eleco could generate in the future. Those risks include macroeconomic uncertainty, an unstable geopolitical landscape, the cyclical nature of the construction and built environment end-markets, competitive forces (including the rapid pace of technological and AI-driven change in the software industry) and the execution risks inherent in Eleco's ongoing acquisition-led growth strategy; and
- the Acquisition represents an attractive implied enterprise value multiple of approximately 20.2x EBITDA for the year ended 31 December 2025 and approximately 31.9 times Eleco's Cash EBITDA for the same period.

In addition to the financial terms of the Acquisition, the Eleco Board has taken into account Accel-KKR's intentions for the Eleco business, its management team, employees and other stakeholders. The Eleco Board welcomes Accel-KKR's stated intention that Bidco does not intend to make any material reduction to the Eleco Group's headcount, changes to the conditions of employment or the balance of skills and functions of the employees and management of the Eleco Group. The Eleco Board also welcomes Accel-KKR's confirmation that, following completion of the Acquisition, the existing contractual and statutory employment rights, including in relation to pensions, of all Eleco employees will be fully safeguarded in accordance with applicable laws.

The Eleco Board believes that Eleco will also benefit from ownership by Accel-KKR, with its financial resources and deep sector expertise, which will support Eleco in investing for growth and in accelerating the deployment of its strategy for the benefit of customers and employees.

Accordingly, having considered all of these factors, the Eleco Directors, who have been so advised by Stephens as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable and intend to recommend unanimously that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Eleco Shareholders vote in favour of the Resolution at the General Meeting. In providing its advice to the Eleco Directors, Stephens has taken into account the commercial assessments of the Eleco Directors. Stephens is providing independent financial advice to the Eleco Directors for the purposes of Rule 3 of the Takeover Code.

## 6 INFORMATION RELATING TO BIDCO AND ACCEL-KKR

Bidco

Bidco is a private limited company incorporated in England and Wales. It is a newly formed company which will, as at the Effective Date, be indirectly wholly-owned by funds managed and/or advised by Accel-KKR and its affiliates. Bidco was formed for the purposes of the Acquisition and has not traded since its date of formation, nor has it entered into any obligations other than in connection with the Acquisition.

The current director of Bidco is Maurice Hernandez. Further details in relation to Bidco will be contained in the Scheme Document.

Accel-KKR

Accel-KKR is a global private equity firm with over $23 billion in cumulative capital commitments. Accel-KKR focuses on investing in mid-market software and technology-enabled services companies. Founded in 2000, Accel-KKR has extensive experience investing in growth technology companies across a range of sectors, including the construction and facilities management industries. Accel-KKR is authorised and regulated by the Securities and Exchange Commission.

## 7 INFORMATION RELATING TO ELECO

Eleco is a specialist international provider of software and related services to the built environment, headquartered in London, United Kingdom.

Eleco operates through its operating brands Eleco, BestOutcome, Pemac, and Eleco Technologies, from centres of excellence in the UK, Ireland, Sweden, Germany, the Netherlands, Romania, and the U.S. The Eleco Group's software solutions are used throughout the building lifecycle, from early planning and design stages to construction, interior fit out, asset management and facilities management, supporting project management, estimation, building information modelling (BIM) and property management. The Eleco Group's principal products include Asta Powerproject and Bidcon (project planning, scheduling and cost management), IconSystem (design standards and data management), ShireSystem and Pemac (computerised maintenance management and facilities management), and PM3 and Kivue (project portfolio management). Eleco's software has been used on high-profile projects including The Shard and V&A Museum in London, the Warsaw Metro extension in Poland and Hong Kong International Airport, Hong Kong. As at 31 December 2025, the Eleco Group had 316 employees across eight countries.

For the financial year ended 31 December 2025, Eleco reported revenue of £38.8 million, an increase of 20 per cent. (2024: £32.4 million), Adjusted EBITDA of £10.2 million, an increase of 32 per cent. (2024: £7.7 million), and adjusted profit before taxation of £7.3 million, an increase of 35 per cent. (2024: £5.4 million), annualised recurring revenue at 31 December 2025 increased by 29 per cent. to £34.3 million (2024: £26.6 million) and total recurring revenue increased by 26 per cent. to £31.3 million (2024: £24.9 million), representing 81 per cent. of total revenue (2024: 77 per cent.). Cash at 31 December 2025 was £16.3 million (2024: £14.0 million), the Eleco Group remained free of debt, and total dividends for the year were increased by 20 per cent. to 1.20 pence per Eleco Share. The 2025 results included a non-cash impairment charge of £2.3 million in respect of the carrying value of the Eleco Group's former visualisation business, Veeuze.

On 23 July 2026, Eleco released a trading update for the six months ended 30 June 2026, reporting:

- annualised recurring revenue at 30 June 2026 up 16 per cent. to approximately £35.5 million (30 June 2025: £30.7 million), a further record for the Eleco Group, with organic annualised recurring revenue up approximately 23 per cent.;

- total recurring revenue up 14 per cent. to approximately £16.9 million, representing 85 per cent. of total revenue (H1 2025: 81 per cent.);

- total revenue up 8 per cent. to approximately £19.9 million (H1 2025: £18.4 million), with organic revenue growth of 15 per cent.; and

- cash at 30 June 2026 of £15.4 million, with the Eleco Group remaining free of debt.

Eleco's interim results for the six months ended 30 June 2026 are expected to be released on 15 September 2026.

## 8 IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT

As described above, Bidco has received irrevocable undertakings from the Eleco Directors who hold Eleco Shares as at the date of this announcement to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept (or procure the acceptance of) such Offer), in respect of, in aggregate, 408,725 Eleco Shares, representing approximately 0.5 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement. These undertakings will remain binding in the event that a higher competing offer for Eleco is made.

In addition to the irrevocable undertakings given by the Eleco Directors as set out above, Bidco has also received irrevocable undertakings from Allen & Co and certain members of the Ketteley family to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept (or procure the acceptance of) such Offer) in respect of a total of 19,788,330 Eleco Shares, representing approximately 23.4 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement. These undertakings will remain binding in the event that a higher competing offer for Eleco is made.

In addition, Bidco has received non-binding letters of intent from Charles Stanley, J O Hambro, Janus and Jupiter to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure the acceptance of such Offer), in respect of

17,964,862 Eleco Shares, representing approximately 21.3 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement.

In total therefore, Bidco has received irrevocable undertakings and letters of intent to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure the acceptance of such Offer) in respect of, in aggregate, 38,161,917 Eleco Shares, representing approximately 45.2 per cent. of the existing issued ordinary share capital of Eleco as at 9 September 2026, being the Business Day prior to the date of this announcement.

Further details of these irrevocable undertakings and letters of intent (including the circumstances in which they cease to be binding) are set out in Appendix 3 to this announcement.

## 9 FINANCING OF THE ACQUISITION

The cash consideration payable to Eleco Shareholders under the terms of the Acquisition will be financed by equity to be invested by the Accel-KKR Funds.

Rothschild & Co, in its capacity as financial adviser to Bidco and Accel-KKR, is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to Eleco Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

## 10 OFFER-RELATED ARRANGEMENTS

Confidentiality Agreement

On 21 July 2026, Accel-KKR Capital Partners VII, LP, on behalf of Bidco, and Eleco entered into a Confidentiality Agreement in relation to the Acquisition, pursuant to which, amongst other things, Accel-KKR Capital Partners VII, LP, on behalf of Bidco has undertaken to: (i) subject to certain exceptions, keep information relating to Eleco and the Acquisition confidential and not to disclose it to third parties; and (ii) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of: (a) completion of the Acquisition; and (b) 21 July 2028. The Confidentiality Agreement also contains undertakings from Accel-KKR Capital Partners VII, LP and those of its affiliates that received information pursuant to the Confidentiality Agreement that for a period of 12 months after the date of the Confidentiality Agreement, it will not solicit or offer to employ or engage any senior management employee of the Eleco Group involved in discussions relating to the Acquisition (subject to customary carve-outs).

Cooperation Agreement

Pursuant to the Cooperation Agreement, Bidco and Eleco have, amongst other things, each agreed to: (i) cooperate in relation to obtaining any consents, clearances, permissions, waivers and/or approvals as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable Relevant Authority in connection with the Acquisition; and (ii) cooperate in preparing and implementing certain arrangements with respect to the Eleco Share Plan and other employee-related matters. In addition, Bidco has agreed to certain provisions if the Scheme should switch to an Offer. The Cooperation Agreement is capable of termination in certain circumstances, including if the Acquisition is withdrawn, terminated or lapses, a third party announces a firm intention to make an offer for Eleco which completes, becomes effective or becomes unconditional, if prior to the

Long Stop Date, any Condition has been invoked by Bidco (with the consent of the Panel), if the Eleco Directors withdraw or adversely modify or qualify their recommendation of the Acquisition, if the Scheme does not become Effective in accordance with its terms by the Long Stop Date or otherwise as agreed between Bidco and Eleco.

Pursuant to the terms of the Cooperation Agreement and the requirements of paragraph 3(g)(i) of Appendix 7 to the Takeover Code, Bidco undertakes that it will deliver a notice in writing to Eleco on the Business Day prior to the Sanction Hearing confirming either: (i) the satisfaction or waiver of the Conditions (other than the Sanction Condition (as defined therein)); or (ii) to the extent permitted by the Panel, that it intends to invoke or treat as unsatisfied or incapable of satisfaction one or more Conditions.

## 11 DISCLOSURE OF INTERESTS IN ELECO SECURITIES

Except for the irrevocable undertakings referred to in paragraph 8 above and Appendix 3, as at 9 September 2026 (being the latest practicable date prior to the date of this announcement) neither Bidco, nor any of its directors, nor, so far as Bidco is aware, any person treated as acting in concert (within the meaning of the Takeover Code) with it for the purposes of the Acquisition: (i) had any interest in or right to subscribe for or had borrowed or lent any Eleco Shares or securities convertible or exchangeable into Eleco Shares; or (ii) had any short positions in respect of relevant securities of Eleco (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) has borrowed or lent any relevant securities of Eleco (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold; or (iv) is a party to any dealing arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the Takeover Code.

It has not been practicable for Bidco to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, if Bidco becomes aware, following the making of such enquiries, that any of its concert parties have any additional interests in the relevant securities of Eleco, all relevant details in respect of Bidco's concert parties will be included in Bidco's Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Takeover Code which must be made on or before 12 noon (London time) on 24 September 2026.

## 12 DIRECTORS, MANAGEMENT, EMPLOYEES, PENSIONS, RESEARCH AND DEVELOPMENT AND LOCATIONS

***Strategic plans for Eleco***

As set out in paragraph 4, Bidco recognises that Eleco is a specialist technology provider for the built environment, with an attractive portfolio of products used throughout the building lifecycle. Eleco's technology and software is developed by teams of in-house developers working in close collaboration with customers, and is used by a global customer base. Bidco looks forward to working with Eleco's management and employees to support the continued growth and development of the business.

Accel-KKR is a technology-focused investment firm with deep experience in scaling software and tech-enabled services businesses, and believes that it can support management in Eleco's next phase of growth by investing in go-to-market and continued product capabilities to better service their customers across the building lifecycle. Eleco has developed a leading suite of solutions that should benefit from new features, including embedded AI offerings.

In addition, Accel-KKR sees the potential for strategic acquisitions to further enhance Eleco's product capabilities within construction execution software. Accel-KKR believes that the capital and operational resources for these opportunities will be more readily available to management under private ownership.

Prior to this announcement, consistent with market practice, Bidco was granted access to Eleco's senior management for the purposes of confirmatory due diligence. Following the Acquisition becoming Effective, Bidco intends to work with Eleco's management team to undertake a detailed evaluation of the Eleco Group's operations, product roadmap and growth strategy. Bidco expects to complete this evaluation within approximately six months from the Effective Date. Accel-KKR has access to specialist cross functional resources across areas such as sales, customer support, product development and business operations. These specialists will review, among other topics:

- assessing the go-to-market capabilities in place to continue to drive revenue growth, including sales coverage across Eleco's customer segments, the effectiveness of cross-selling and upselling additional modules into the existing installed base and pricing and packaging;

- identifying the operational areas requiring further investment to deliver on management's growth plans, including the development of technology to support Eleco's SaaS transition, development of new AI-enabled functionality across the product portfolio, integration of the Eleco Group's products onto a common platform, and the scaling of the sales and customer support organisations;

- evaluating the customer implementation, onboarding and support model, including time-to-value for new customers, and the professional services and customer success resources required to sustain retention and expansion within the existing customer base; and

- identifying acquisition opportunities to accelerate the growth of the business by adding complementary, industry-leading and innovative products to Eleco's portfolio, including in adjacent construction technology products and workflows.

***Employees and management***

Bidco attaches great importance to the skills and expertise of Eleco's management and employees and recognises that the employees and management of Eleco will be key to the long-term success of the Eleco Group going forward.

Following completion of the Acquisition, certain functions which have historically been related to Eleco's status as a listed company may no longer be required or will be reduced in size to reflect Eleco ceasing to be a listed company. Where any roles are reduced, Bidco confirms that its intention is for any individual impacted to be treated in a manner consistent with Eleco's high standards, culture and practices, as well as applicable law.

Despite the expected reduction in listed company-related functions as described above, Bidco does not intend to make any material reduction to the Eleco Group's headcount, changes to the conditions of employment or the balance of skills and functions of the employees and management of the Eleco Group.

It is intended that, with effect from the Effective Date, each of the non-executive members of the Eleco Board shall resign from his or her office as a director of Eleco.

***Existing employment rights and pensions***

Bidco confirms that, following the Acquisition becoming Effective, the existing contractual and statutory employment rights, including in relation to pensions, of all Eleco management and employees will be fully safeguarded in accordance with applicable law and as specified further in the Cooperation Agreement.

Bidco does not intend to make any changes to the benefits provided by Eleco's defined contribution pension arrangements (including with regard to the accrual of benefits for existing members and the admission of new members) and intends for the employer to continue to make contributions in line with current arrangements. No member of the Eleco Group participates in any defined benefit pension scheme and it does not have any current or historical obligations towards any pension arrangements providing benefits on a defined benefit basis.

***Management incentive arrangements***

Following the Acquisition becoming Effective, Bidco intends to review the management, governance and incentive structure of Eleco. While Bidco may have discussions and enter into arrangements with certain members of the Eleco management team following the Effective Date, Bidco has not entered into, and has not had discussions on proposals to enter into, any form of incentivisation arrangements with members of Eleco's management to date and does not intend to do so prior to the Effective Date.

***Headquarters, locations, fixed assets and research and development***

Bidco does not intend to make any material changes to, or to redeploy, any of Eleco's fixed assets. Bidco also has no plans to carry out any changes in the location or functions of Eleco's London headquarters or with regard to Eleco's operations and places of business, other than in respect of the listed company-related functions as described above.

Bidco does not intend to make any changes to Eleco's research and development functions, which it believes will continue to be a key driver of innovation and growth, except for potential investments to strengthen these capabilities.

***Trading Facilities***

The Eleco Shares are currently traded on AIM and, as set out in paragraph 15, a request will be made to the London Stock Exchange to cancel the admission to trading on AIM of the Eleco Shares, to take effect from or shortly after the Effective Date. As stated in paragraph 15, dealings in Eleco Shares will be suspended prior to the Effective Date and thereafter there will be no trading facilities in relation to Eleco Shares, and steps will be taken to re-register Eleco as a private company.

None of the statements in this paragraph 12 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

## 13 ELECO SHARE PLAN

Participants in the Eleco Share Plan will be contacted regarding the effect of the Acquisition on their rights under the Eleco Share Plan and, where required, an appropriate proposal will be made to such participants pursuant to Rule 15 of the Takeover Code in due course. Details of the impact of the Scheme on the Eleco Share Plan and the proposals will be set out in the Scheme Document.

## 14 SCHEME PROCESS

The Acquisition is subject to the Conditions and certain further terms referred to in Appendix 1 to this announcement and to the full terms and conditions to be set out in the Scheme Document, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date (or such later date as Bidco and Eleco may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by those Scheme Shareholders;

- the Resolution(s) necessary to implement the Scheme and the Acquisition is/are passed by the requisite majority of Eleco Shareholders at the General Meeting;

- following the Court Meeting and General Meeting and satisfaction and/or waiver (where applicable) of the other Conditions, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by Bidco and Eleco); and

- following such sanction, a copy of the Court Order is delivered to the Registrar of Companies.

Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, lapse or to be withdrawn with the consent of the Panel. Certain Conditions are not subject to this requirement. Further details are set out below and in Part B of Appendix 1.

The Conditions in paragraphs 1, 2.1(ii), 2.2(ii) and 2.3(ii) of Part A of Appendix 1 to this announcement provide that the Scheme will lapse (under the authority of Rule 13.5(b) of the Takeover Code) if:

- the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of the Court Meeting and the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Eleco), unless such Condition is waived by Bidco;

- the Sanction Hearing is not held by the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Eleco), unless such Condition is waived by Bidco; or

- the Scheme does not become Effective on or by 11.59 p.m. on the Long Stop Date.

If any Condition in paragraphs 2.1(ii); 2.2(ii) and 2.3(ii) of Part A of Appendix 1 to this announcement is not capable of being satisfied by the date specified therein, Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 8.00 a.m. on the Business Day following the date so specified, stating whether Bidco has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Eleco, and where required, the consent of the Panel, specified a new date by which that Condition must be satisfied.

Once the necessary approvals from Eleco Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been approved by the Court, the Scheme will become Effective upon delivery of a copy of the Court Order to the Registrar of Companies. Subject to the satisfaction of the Conditions, the Scheme is expected to become Effective during or prior to Q1 2027.

Upon the Scheme becoming Effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Eleco Shares will cease to be valid and entitlements to Eleco Shares held within the CREST system will be cancelled. In accordance with the applicable provisions of the Takeover Code, the consideration for the transfer of the Scheme Shares to Bidco will be despatched within 14 days of the Effective Date.

Any Eleco Shares issued before the Scheme Record Time will be subject to the terms of the Scheme and any Eleco Shares issued following the Scheme Record Time will be transferred to Bidco (or as it may direct) in exchange for the same consideration as would be due under the Scheme (in each case, subject to the Scheme becoming Effective in accordance with its terms). The Resolution(s) to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any Eleco Shares issued after the Scheme Record Time (other than to Bidco and/or their nominees) to be automatically transferred to Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than Bidco and their nominees) holding shares in the capital of Eleco after the Effective Date.

Further details of the Scheme, including expected times and dates for each of the Court Meeting, the General Meeting and the Sanction Hearing, together with notices of the Court Meeting and the General Meeting, will be set out in the Scheme Document. It is expected that the Scheme Document and the forms of proxy accompanying the Scheme Document will be published as soon as practicable and in any event within 28 days of this announcement (or such later date as Bidco and Eleco may, with the consent of the Panel, agree and, if required, the Court may approve).

## 15 DELISTING, AND CANCELLATION OF TRADING AND RE-REGISTRATION

It is intended that the London Stock Exchange will be requested to cancel the admission to trading of Eleco Shares on AIM on or shortly after the Effective Date.

It is expected that the last day of dealings in Eleco Shares on the AIM will be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 p.m. (London time) on that date.

It is also intended that Eleco will be re-registered as a private limited company as part of the Scheme and for this to take effect as soon as practicable on or following the Effective Date.

## 16 DOCUMENTS

Copies of the following documents will be available promptly on Eleco's website, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at https://ir.eleco.com/, and Bidco's website, at www.projecteagleoffer.com in any event by no later than noon on the Business Day following this announcement:

- this announcement;
- the Confidentiality Agreement;
- the Cooperation Agreement;
- the irrevocable undertakings referred to in paragraph 8 above and summarised in Appendix 3 to this announcement;

- the documents entered into for the financing of the Acquisition referred to in paragraph 9 above; and
- the consent letters from financial advisers to being named in this announcement.

Neither the content of the websites referred to in this announcement, nor any website accessible from hyperlinks, is incorporated into or forms part of this announcement.

## 17 GENERAL

Bidco reserves the right to elect (with the consent of the Panel and subject to the terms of the Cooperation Agreement) to implement the acquisition of the Eleco Shares by way of an Offer as an alternative to the Scheme. In such event, the Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme.

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to: (i) make a request to the London Stock Exchange to cancel trading in Eleco Shares on AIM; and (ii) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Eleco Shares in respect of which the Offer has not been accepted.

Investors should be aware that Bidco may purchase Eleco Shares otherwise than under the Scheme or any Offer, including pursuant to privately negotiated purchases.

The Acquisition will be on the terms and subject to the conditions set out herein and in Appendix 1, and to be set out in the Scheme Document. The sources and bases for certain financial information contained in this announcement are set out in Appendix 2. Details of irrevocable undertakings and letters of intent received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4. The formal Scheme Document will be sent to shareholders of Eleco as soon as practicable and in any event within 28 days of this announcement (or on such later date as may be agreed with Eleco and the Panel).

Rothschild & Co (as sole financial adviser to Bidco and Accel-KKR), Stephens (as lead financial adviser and Rule 3 adviser to Eleco) and Cavendish (as nominated adviser, broker and financial adviser to Eleco) have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

**Enquiries**

| | |
|---|---|
| **Kekst CNC (PR Adviser to Accel-KKR and Bidco)** | +1 917 992 1170 |
| Todd Fogarty | |
| **N.M. Rothschild & Sons Limited (Financial Adviser to Bidco and Accel-KKR)** | +44 (0)20 7280 5000 |
| Anton Black | |

Jose Benito Sanz

**Eleco plc** +44 (0)20 7422 8000

Mark Castle, Non-Executive Chair

Jonathan Hunter, Chief Executive Officer

Neil Pritchard, Chief Financial Officer

**Stephens Europe Limited (Lead Financial Adviser and Rule 3 Adviser to Eleco)** +44 (0)20 3757 9900

Graham Paton

Thorsten Behrens

**Cavendish Capital Markets Limited (Nominated Adviser, Sole Broker and Financial Adviser to Eleco)** +44 (0)20 7220 0500

Geoff Nash

Henrik Persson

Seamus Fricker

Elysia Bough

Kirkland & Ellis International LLP is acting as legal adviser to Bidco and Accel-KKR.

Dorsey & Whitney (Europe) LLP is acting as legal adviser to Eleco.

**Further information**

*Rothschild & Co, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Bidco and Accel-KKR and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Bidco and Accel-KKR for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.*

*Stephens, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Eleco and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than Eleco for providing the protections afforded to its clients or for providing advice in connection with the subject matter of this announcement.*

*Cavendish, which, in the United Kingdom, is authorised and regulated by the Financial Conduct Authority, is acting exclusively for Eleco and no one else in connection with the Acquisition and will not be responsible to anyone other than Eleco for providing the protections afforded to clients of Cavendish nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement.*

*This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Eleco in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*Eleco and Bidco shall prepare the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document) to be distributed to Eleco Shareholders. Eleco and Bidco urge Eleco Shareholders to read the Scheme Document when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.*

*This announcement contains inside information in relation to Eleco for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for arranging the release of this announcement on behalf of Eleco is Neil Pritchard. Eleco's Legal Entity Identifier is 21380016GT9Z6ZQX4T37.*

***If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or 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 not, from another appropriately authorised independent financial adviser.***

**Overseas shareholders**

*The release, publication or distribution of this announcement 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. 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation, the AIM Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of England.*

*The availability of the Acquisition to Eleco 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. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions 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 Acquisition disclaim any responsibility or liability for the violation of such* *restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, in whole or in part, directly or indirectly, in, into, from, 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 any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme 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 announcement and any formal documentation relating to the Acquisition 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 them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in, into, from 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 or from within any Restricted Jurisdiction.*

*Eleco Shareholders should be aware that the transaction contemplated herein may have tax consequences and that such consequences, if any, are not described herein. Eleco Shareholders are urged to consult with appropriate legal, tax and financial advisers in connection with the consequences of the Acquisition on them.*

*Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

**Notice to U.S. Eleco Shareholders**

*The Acquisition relates to the shares of an English limited company with a listing on the Alternative Investment Market and is being made by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**"). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom to takeover offers and schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.*

*It may be difficult for U.S. holders of Eleco Shares to enforce their rights and any claim arising out of the U.S. federal laws, since Bidco and Eleco are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of Eleco Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations* *of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgement.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Accel-KKR, its nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Eleco Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, Rothschild & Co will continue to act as an exempt principal trader in Eleco Shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website, www.londonstockexchange.com/.*

*U.S. Eleco Shareholders also should be aware that the transaction contemplated herein may have tax consequences in the U.S. and that such consequences, if any, are not described herein. U.S. Eleco Shareholders are urged to consult with appropriate legal, tax and financial advisers in connection with making a decision regarding the Acquisition.*

**Forward looking statements**

*This announcement (including information incorporated by reference in this announcement), statements made regarding the Acquisition, and other information published by Bidco and Eleco contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and Eleco 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 announcement include statements relating to the expected effects of the Acquisition on Bidco and Eleco (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "cost-saving", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco's, Eleco's, any member of the Bidco Group's or any member of the Eleco Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco's, Eleco's, any member of the Bidco Group's or any member of the Eleco Group's business.*

*Although Bidco and Eleco believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Eleco can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.*

*These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the* *proposed terms and schedule; changes in the global political, economic, business and competitive environments (including exposures to terrorist activities, the Russia-Ukraine conflict, the ongoing conflicts in the Middle East and disruption in business operations due to reorganisation activities) and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; and changes in the anticipated benefits from the Acquisition not being realised as a result of: changes in general economic and market conditions in the countries in which Bidco and Eleco operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Bidco and Eleco operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Eleco, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to Bidco or any member of the Wider Bidco Group or the Eleco Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.*

*Other than in accordance with their legal or regulatory obligations, neither Bidco nor Eleco is under any obligation, and Bidco and Eleco expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

**Dealing and opening position disclosure requirements**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10$^{th}$ business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10$^{th}$ 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 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the 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.*

**Publication on a website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Bidco's website at www.projecteagleoffer.com and Eleco's website at https://ir.eleco.com/ by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from any hyperlinks set out in this announcement is incorporated by reference or forms part of this announcement.*

**No profit forecasts, estimates or quantified benefits statements**

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

**Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, Eleco Shareholders, persons with information rights and participants in the Eleco Share Plan may request a hard copy of this announcement (and any document or information incorporated into it by reference to another source) by: (i) submitting a request in writing to Neville Registrars, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD; or (ii) telephoning Neville Registrars on +44 (0) 121 585 1131. Calls are charged at the standard geographical rate and will vary by provider. If calling from outside of the United Kingdom, please ensure the country code is used. Lines will be open from 9.00 a.m. to 5.00 p.m., Monday to Friday (excluding public holidays in England and Wales). Please note that Neville Registrars cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement (and any document or information incorporated by reference into this announcement) will not be sent unless so requested. In accordance with Rule 30.3 of the Takeover Code, such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be sent in hard copy form.*

**Electronic communications**

*Please be aware that addresses, electronic addresses and certain other information provided by Eleco Shareholders, persons with information rights and other relevant persons for the receipt of communications from Eleco may be provided to Bidco 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.*

## Rounding

*Certain figures included in this announcement 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 figures that precede them.*

## General

*Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments to reflect the change in method of implementation and the terms of the Cooperation Agreement).*

*If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Eleco Shares in respect of which the Offer has not been accepted.*

*Investors should be aware that Bidco may purchase Eleco Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.*

## Rule 2.9 of the Takeover Code

*For the purposes of Rule 2.9 of the Takeover Code, Eleco confirms that, as at the date of this announcement, it had in issue 84,387,572 ordinary shares of 1 pence each. Eleco does not hold any ordinary shares in treasury. The ISIN for the ordinary shares is GB0003081246 and Eleco's LEI number is 21380016GT9Z6ZQX4T37.*

## Disclaimer

*The information contained herein does not constitute an offer to sell, nor a solicitation of an offer to buy, any security, and may not be used or relied upon in connection with any offer or solicitation. Any offer or solicitation in respect of Accel-KKR Funds will be made only through a confidential private placement memorandum and related documents which will be furnished to qualified investors on a confidential basis in accordance with applicable laws and regulations. The information contained herein is not for publication or distribution to persons in the U.S. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold without registration thereunder or pursuant to an available exemption therefrom. Any offering of securities to be made in the U.S. would have to be made by means of an offering document that would be obtainable from the issuer or its agents and would contain detailed information about the issuer of the securities and its management, as well as financial information. The securities may not be offered or sold in the U.S. absent registration or an exemption from registration.*

*The Acquisition will be subject to English law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the AIM Rules and the Registrar of Companies.*

**Appendix 1**
**Conditions and Further Terms of the Acquisition**

**Part A**
***Conditions to the Scheme and Acquisition***

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than 11.59 p.m. on the Long Stop Date.

<u>Conditions of the Scheme</u>

2. The Scheme will be subject to the following Conditions:

2.1 (i) its approval by a majority in number representing not less than 75 per cent. in value of Scheme Shares held by Scheme Shareholders who are on the register of members of Eleco (or the relevant class or classes thereof) at the Voting Record Time, present and voting (and entitled to vote), whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof), and (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Eleco with the consent of the Panel (and that the Court may approve if required));

2.2 (i) the Resolution(s) being duly passed by the requisite majority or majorities at the General Meeting (or any adjournment thereof); and (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Eleco with the consent of the Panel (and that the Court may approve, if required));

2.3 (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to Bidco and Eleco)); and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Eleco with the consent of the Panel (and that the Court may approve, if required)); and

2.4 the delivery of a copy of the Court Order to the Registrar of Companies.

<u>General Conditions</u>

3. In addition, subject as stated in Part B of this Appendix 1, Bidco and Eleco have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

<u>Merger Control Approvals</u>

*Australia*

3.1 any of the following to occur:

3.1.1 the Australian Competition and Consumer Commission (the "**ACCC**") shall have: (i) advised Bidco or Eleco, in accordance with section 189(2) of the Competition and Consumer Act 2010 (Cth) (the "**CCA**"), that it does not intend to take action under the CCA in relation to a contravention, or possible contravention, of section 50 of the CCA in relation to the Acquisition (the "**Section 189 Letter**"); (ii) the Section 189 Letter has not been withdrawn, revoked or adversely amended prior to the Effective Date; and (iii) less than 12 months have elapsed since the date of the Section 189 Letter;

3.1.2 the ACCC shall have made a determination ("**Waiver Determination**") under section 51ABV of the CCA that the Acquisition is not required to be notified, and that Waiver Determination has not been withdrawn, revoked or adversely amended before the Effective Date; or

3.1.3 the ACCC or the Australian Competition Tribunal shall have made a determination ("**Clearance Determination**") that the Acquisition may be put into effect or would be of public benefit and that Clearance Determination: (i) is in respect of a notification which has been finally considered under section 51ABF(1) of the CCA; and (ii) has not become stale under section 51ABG of the CCA;

*United Kingdom*

3.2 One of the following having occurred:

3.2.1 the CMA having indicated in a response to a briefing paper that it has no further questions at that stage in relation to the Acquisition; and as at the date on which all other Conditions are satisfied or waived, the CMA has not:

(a) requested submission of a merger notice pursuant to section 96 of the Enterprise Act 2002 (the "**EA**");

(b) indicated to either party that it intends, or is considering whether, to commence a Phase 1 investigation;

(c) indicated that the statutory review period in which the CMA has to decide whether to make a reference under section 34ZA Enterprise Act 2002 has begun; nor

(d) requested documents, information or attendance by witnesses (including under section 109 of the EA) which may indicate that it intends to commence the aforementioned statutory review period in respect of the Acquisition; or

3.2.2 the CMA issuing a decision in terms satisfactory to Bidco that it is not the CMA's intention to subject the Acquisition or any matter arising therefrom or related thereto or any part of it to a reference under section 33 of the EA (a "**Phase 2 CMA Reference**"), such decision being either unconditional or conditional on the CMA's acceptance of undertakings in lieu under Section 73 EA which are satisfactory to Bidco (or the applicable time period for the CMA to issue either decision having expired without it having done so and without it having made a Phase 2 CMA Reference) and there having been no decision by the Secretary of State to make a reference under sections 45 or 62 of the EA; or

3.2.3 in the event that a Phase 2 CMA Reference is made, confirmation from the CMA (or as the case may be, the Secretary of State) either: (A) that the Acquisition may proceed without any undertakings or conditions; or (B) that the Acquisition and any matter arising therefrom or relating thereto may proceed on terms satisfactory to Bidco;

Foreign Investment Control and National Security Approvals

*United Kingdom*

3.3 a notification having been made and accepted pursuant to the NSI Act and one of the following having occurred:

3.3.1 the Secretary of State confirming before the end of the review period specified at section 14(9) of the NSI Act that no further action will be taken in relation to the Acquisition;

3.3.2 if the Secretary of State issues a call-in notice in relation to the Acquisition, the parties receiving a final notification pursuant to section 26(1)(b) of the NSI Act containing confirmation that the Secretary of State will take no further action in relation to the call-in notice and the Acquisition under the NSI Act; or

3.3.3 the Secretary of State making a final order pursuant to section 26(1)(a) of the NSI Act in relation to the Acquisition, allowing the Acquisition to proceed unconditionally or on terms satisfactory to Bidco, and such order not having been revoked or varied prior to the Effective Date;

Other Third Party clearances

3.4 other than in respect of the matters referred to in Conditions 3.1 to 3.3, no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a "**Third Party**") having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which, in each case, would or would reasonably be expected to:

3.4.1 make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Eleco Group by any member of the Wider Bidco Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit or materially restrain, restrict, impede, challenge, delay or otherwise materially interfere with the implementation of, or impose material additional conditions or obligations with respect to, the Acquisition or the acquisition of any shares or other securities in, or control or management of, any member of the Wider Eleco Group by any member of the Wider Bidco Group or require an amendment of the Scheme;

3.4.2 require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Bidco Group or by any member of the Wider Eleco Group of all or any part of their businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Wider Bidco Group or the Wider Eleco Group, in either case, taken as a whole or in the context of the Acquisition;

3.4.3 impose any material limitation on the ability of any member of the Wider Bidco Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Eleco (or any member of the Wider Eleco Group) or on the ability of any member of the Wider Eleco Group or any member of the Wider Bidco Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Eleco Group to an extent which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.4.4 other than pursuant to the implementation of the Scheme or, if applicable, sections 974 to 991 of the 2006 Act, require any member of the Wider Bidco Group or the Wider Eleco Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Eleco Group or any asset owned by any third party which is material in the context of the Wider Eleco Group or the Wider Bidco Group, in either case taken as a whole;

3.4.5 require, prevent or materially delay a divestiture by any member of the Wider Bidco Group of any shares or other securities (or the equivalent) in any member of the Wider Eleco Group;

3.4.6 result in any member of the Wider Eleco Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.4.7 impose any limitation on the ability of any member of the Wider Bidco Group and/or any member of the Wider Eleco Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider Eleco Group in a manner which is adverse and material to the Wider Bidco Group and/or the Wider Eleco Group, in each case taken as a whole or in the context of the Acquisition; or

3.4.8 except as Disclosed, otherwise affect the business, assets, value, profits or prospects of any member of the Wider Eleco Group or any member of the Wider Bidco Group, in each case in a manner and to an extent which is adverse to and material in the context of the Wider Eleco Group taken as a whole or of the financing of the Acquisition;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any Eleco Shares or otherwise intervene having expired, lapsed, or been terminated;

3.5 other than in respect of the matters referred to in Conditions 3.1 to 3.3, all notifications, filings or applications which are deemed by Bidco (acting reasonably) to be necessary or reasonably considered to be required in any relevant jurisdiction having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations which are deemed by Bidco, acting reasonably, to be necessary or reasonably considered to be required in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Eleco by any member of the Wider Bidco Group having been obtained on terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Eleco Group or the Wider Bidco Group has entered into contractual arrangements in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Eleco Group, any member of the Bidco Group or the ability of Bidco to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

3.6 no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinment, or other order issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Wider Eleco Group by any member of the Wider Bidco Group, or the implementation of either of them, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise materially interfering with the completion or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Eleco Group by any member of the Wider Bidco Group;

Confirmation of absence of adverse circumstances

3.7 except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Eleco Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Bidco Group of any shares or other securities in Eleco or because of a change in the control or management of any member of the Wider Eleco Group or otherwise, would or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider Eleco Group taken as a whole or to the financing of the Acquisition:

3.7.1 any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider Eleco Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

3.7.2 the rights, liabilities, obligations, interests or business of any member of the Wider Eleco Group or any member of the Wider Bidco Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Eleco Group or any member of the Wider Bidco Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or likely to become terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;

3.7.3 any member of the Wider Eleco Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Eleco Group taken as a whole or in the context of the Acquisition;

3.7.4 any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Eleco Group being or falling to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Eleco Group otherwise than in the ordinary course of business;

3.7.5 other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Eleco Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;

3.7.6 the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Eleco Group being prejudiced or adversely affected;

3.7.7 the creation or acceleration of any material liability (actual or contingent) by any member of the Wider Eleco Group other than trade creditors or other liabilities incurred in the ordinary course of business; or

3.7.8 any liability of any member of the Wider Eleco Group to make any severance, termination, bonus or other payment to any of its directors or other officers other than in the ordinary course of business;

<u>No material transactions, claims or changes in the conduct of the business of the Eleco Group</u>

3.8 except as Disclosed, no member of the Wider Eleco Group having since 31 December 2025:

3.8.1 save as between Eleco and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of Eleco Shares on the exercise of options or vesting of awards granted under the Eleco Share Plan, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class;

3.8.2 save as between Eleco and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the grant of options or awards under the Eleco Share Plan, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities;

3.8.3 recommended, declared, paid or made or agreed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than to Eleco or one of its wholly-owned subsidiaries;

3.8.4 save as between Eleco and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body, corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider Eleco Group taken as a whole;

3.8.5 save as between Eleco and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital other than in the ordinary course of business and to an extent which is material in the context of the Wider Eleco Group taken as a whole;

3.8.6 issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between Eleco and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.8.7 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long-term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is or is likely to be materially restrictive on the business of any member of the Wider Eleco Group to an extent which is or is reasonably likely to be material to the Wider Eleco Group taken as a whole;

3.8.8 entered into any licence or other disposal of intellectual property rights of any member of the Wider Eleco Group which are material in the context of the Wider Eleco Group taken as a whole and outside the normal course of business;

3.8.9 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Eleco Group save for salary increases, bonuses or variations of terms in the ordinary course;

3.8.10 proposed, agreed to provide or modified the terms of the Eleco Share Plan or any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider Eleco Group which, taken as a whole, are material in the context of the Wider Eleco Group taken as a whole;

3.8.11 (excluding the trustee of any pension scheme(s) established by a member of the Wider Eleco Group other than Eleco itself) (i) made, agreed or consented to or procured any material change to: (a) the terms of any existing trust deeds, rules, policy or other governing documents, or entered into or established any new trust deeds, rules, policy or other governing documents, constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Eleco Group or their dependants and established by a member of the Wider Eleco Group (a "**Relevant Pension Plan**"); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; or (d) the basis or rate of employer contribution to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law; or (ii) entered into or proposed to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (iii) carried out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or is reasonably likely to create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would, having regard to the published guidance of the Pensions Regulator give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 and 38A of the Pensions Act 2004 in relation to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law;

3.8.12 other than to replace a vacancy on the board of directors of a corporate trustee, changed the trustee or trustee directors or other fiduciary of any Relevant Pension Plan;

3.8.13 entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.8.14 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save as between Eleco and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of Eleco Shares on the exercise of options or vesting of awards granted in the ordinary course under the Eleco Share Plan, made any other change to any part of its share capital to an extent which (other than in the case of Eleco) is material in the context of the Wider Eleco Group taken as a whole;

3.8.15 other than with respect to claims between Eleco and its wholly-owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.8.16 made any alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;

3.8.17 (other than in respect of a member of the Wider Eleco Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.8.18 been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.8.19 terminated or varied the terms of any agreement or arrangement between any member of the Wider Eleco Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider Eleco Group taken as a whole;

3.8.20 taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Eleco Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or

3.8.21 entered into any agreement, arrangement, commitment or contract otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition 3.8;

No material adverse change

3.9 since 31 December 2025, and except as Disclosed, there having been:

3.9.1 no adverse change and no circumstance having arisen which would or would reasonably be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Eleco Group to an extent which is material to the Wider Eleco Group taken as a whole or to the financing of the Acquisition;

3.9.2 no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Eleco Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Eleco Group or to which any member of the Wider Eleco Group is or may become a party (whether as claimant or defendant or otherwise) which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Eleco Group taken as a whole or is material in the context of the Acquisition, and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Eleco Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Eleco Group which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Eleco Group taken as a whole or is material in the context of the Acquisition;

3.9.3 no contingent or other liability having arisen, increased or become apparent which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Eleco Group to an extent which is material to the Wider Eleco Group taken as a whole or is material in the context of the Acquisition;

3.9.4 no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Eleco Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably likely to have a material adverse effect on the Wider Eleco Group taken as a whole or is material in the context of the Acquisition; or

3.9.5 no member of the Wider Eleco Group having conducted its business in material breach of any applicable laws and regulations which is material in the context of the Wider Eleco Group taken as a whole;

3.10 since 31 December 2025, except as Disclosed, Bidco not having discovered:

3.10.1 that any financial, business or other information concerning the Wider Eleco Group publicly announced or disclosed to any member of the Wider Bidco Group at any time prior to the date of this announcement by or on behalf of any member of the Wider Eleco Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider Eleco Group taken as a whole or in the context of the Acquisition;

3.10.2 that any member of the Wider Eleco Group is subject to any liability, contingent or otherwise and which is material in the context of the Wider Eleco Group taken as a whole; or

3.10.3 any information which affects the import of any information disclosed to Bidco at any time prior to the date of this announcement by or on behalf of any member of the Wider Eleco Group which is material in the context of the Wider Eleco Group taken as a whole;

Environmental liabilities

3.11 except as Disclosed, Bidco not having discovered that, in relation to any release, emission, accumulation, discharge, disposal or other similar circumstance which has impaired or is likely to impair the environment (including property) or harmed or is likely to harm the health of humans, animals or other living organisms or eco-systems, no past or present member of the Wider Eleco Group, in a manner or to an extent which is material in the context of the Wider Eleco Group: (i) having committed any violation of any applicable laws, statutes, regulations, Authorisations, notices or other requirements of any Third Party giving rise to a material liability; and/or (ii) having incurred any material liability (whether actual or contingent) to any Third Party; and/or (iii) being likely to incur any material liability (whether actual or contingent), or being required, to make good, remediate, repair, re-instate or clean up the environment (including any property) in each case of (i), (ii) or (iii) which such liability or requirement would be material to the Wider Eleco Group taken as a whole;

Intellectual property

3.12 except as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Eleco Group which would be reasonably likely to have a material adverse effect on the Wider Eleco Group taken as a whole or is otherwise material and adverse in the context of the Acquisition, including:

3.12.1 any member of the Wider Eleco Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Eleco Group and material to its business being revoked, cancelled or declared invalid; or

3.12.2 any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Eleco Group to, or the validity or effectiveness of, any intellectual property that is material to the business of the Wider Eleco Group;

Anti-corruption and sanctions

3.13 except as Disclosed, Bidco not having discovered that:

3.13.1 any past or present member of the Wider Eleco Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) which would constitute an offence in contravention of the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;

3.13.2 any member of the Wider Eleco Group is ineligible to be awarded any contract or business under regulation 57 of the Public Contracts Regulations 2015 (as amended);

3.13.3 any past or present member of the Wider Eleco Group has engaged in any activity or business with, or made any investments in, or made any funds or assets available to or received any funds or assets from any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any other governmental or supranational body or authority in any jurisdiction; or

3.13.4 a member of the Eleco Group has engaged in a transaction which would cause the Bidco Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, U.S. or the European Union or any of its member states; and

<u>No criminal property</u>

3.14 except as Disclosed, Bidco not having discovered that any asset of any member of the Wider Eleco Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

## Part B

***Further terms of the Acquisition***

1. Subject to the requirements of the Panel, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions set out in Part A of Appendix 1, except Conditions 1, 2.1(i), 2.2(i), 2.3(i) and 2.4 which cannot be waived. The deadlines in any of Conditions 2.1(ii), 2.2(ii) or 2.3(ii) may be extended to such later date as may be agreed in writing by Bidco and Eleco (with the consent of the Panel and the approval of the Court, in each case if required). If any of Conditions 2.1(ii), 2.2(ii) or 2.3(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with Eleco to extend the relevant deadline.

2. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix 1 above by a date and time earlier than 11.59 p.m. on the Business Day prior to the date of the Sanction Hearing, notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.

3. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 4, Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.

4. Condition 1 (subject to Rule 12 of the Takeover Code), Conditions 2.1(i), 2.2(i), 2.3(i) and 2.4 in Part A of Appendix 1, and, if applicable, any acceptance condition if the Acquisition is implemented by means of an Offer, are not subject to Rule 13.5(a) of the Takeover Code.

5. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Bidco.

6. If the Panel requires Bidco to make an offer or offers for Eleco Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.

7. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme, subject to the Panel's consent and to the terms of the Cooperation Agreement. In such an event, such Offer will be implemented on the same terms and conditions so far as is applicable, as those which would apply to the Scheme (subject to appropriate amendments to reflect the change in method of implementing the Acquisition and the terms of the Cooperation Agreement, including (without limitation and for so long as clause 3.2 of the Cooperation Agreement applies) an acceptance condition set at 75 per cent. of the Eleco Shares (which shall be, if Bidco so elects and with the prior consent of the Panel, calculated as 75 per cent. of Eleco Shares on a fully diluted basis) (or such other percentage as Bidco and Eleco may agree in accordance with the terms of the Cooperation Agreement and, to the extent necessary, with the consent of the Panel, being in any case more than 50 per cent. of the Eleco Shares)). If the Acquisition is effected by way of an Offer, and such Offer becomes or is declared unconditional and sufficient acceptances are received in respect of such Offer, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Eleco Shares in respect of which the Offer has not been accepted.

8. The Acquisition will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix 1 and to the full terms which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the AIM Rules, the provisions of the Takeover Code and the applicable requirements of the Panel and the London Stock Exchange.

9. Eleco Shares will be acquired by Bidco 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 the Effective Date, including the right to receive and retain all dividends and distributions (if any) declared, made or paid after the Acquisition becomes Effective.

10. If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or distribution and/or other return of capital or value is announced, declared, made or paid in respect of the Eleco Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Scheme Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph 10 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 Scheme or the Acquisition. In such circumstances, Eleco Shareholders would be entitled to retain any such dividend, distribution and/or return of capital or value. To the extent that any such dividend and/or distribution and/or other return of capital or value is announced, declared, made or paid or is payable and it is: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration payable under the terms of the Acquisition will not be subject to change in accordance with this paragraph 10.

11. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

12. This announcement and any rights or liabilities arising hereunder, the Acquisition and the Scheme will be governed by English law and be subject to the jurisdiction of the Court, to the Conditions set out above and full terms to be set out in the Scheme Document. The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the AIM Rules and the Registrar of Companies.

13. Each of the Conditions shall be regarded as a separate Condition and, except as expressly stated, shall not be limited by reference to any other Condition.

## Appendix 2
## Sources and Bases of Information

In this announcement, unless otherwise stated or the context otherwise requires, the following sources and bases have been used.

1. The fully diluted issued ordinary share capital of 88,324,723 Eleco Shares is based on:

    1.1 84,387,572 Eleco Shares in issue as at 9 September 2026 (being the last Business Day before this announcement); *plus*

    1.2 3,937,151 Eleco Shares which may be issued on or after the date of this announcement pursuant to the Eleco Share Plan.

2. The value of approximately £207.6 million for the entire issued and to be issued share capital of Eleco is based on:

    2.1 the Acquisition Price of 235 pence per Eleco Share; and

    2.2 Eleco's fully diluted issued ordinary share capital of 88,324,723 Eleco Shares, as set out in paragraph 1 above.

3. The implied enterprise value for Eleco of £192.4 million is calculated excluding lease liabilities and by reference to the valuation of the Acquisition referenced in paragraph 2 above plus net debt/(cash) of £(15.1) million as at 31 December 2025.

4. Unless otherwise stated, the financial information of Eleco is extracted (without material adjustment) from the 2025 Eleco Annual Report, audited accounts of the Eleco Group for the 12 months ended 31 December 2025 and the unaudited, consolidated financial statements of Eleco for the six months ended 30 June 2026.

5. The volume-weighted average prices have been derived from Bloomberg data.

6. Certain figures included in this announcement have been subject to rounding adjustments.

## Appendix 3
## Details of Irrevocable Undertakings

1. Directors

The following Eleco Directors have given irrevocable undertakings to vote (or, where applicable, procure the voting) in favour of the resolutions (including the Scheme) relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept (or procure the acceptance of) such Offer) in respect of their own registered and beneficial holdings (or those Eleco Shares over which they have control) of Eleco Shares:

| Name | Total number of Eleco Shares | Percentage of existing issued share capital |
|---|---|---|
| Rock (Nominees) Limited Direct ISA (*beneficial owner: Jonathan Hunter*) | 28,361 | 0.03% |
| Rock (Nominees) Limited Direct GIA (*beneficial owner: Jonathan Hunter*) | 100,000 | 0.12% |
| Jonathan Hunter | 161,607 | 0.19% |
| Neil Pritchard | 66,205 | 0.08% |
| Mark Castle | 46,500 | 0.06% |
| James Pellatt | 6,052 | 0.01% |
| **TOTAL** | **408,725** | **0.48%** |

These irrevocable undertakings also extend to any Eleco Shares acquired by the Eleco Directors as a result of the vesting of awards or the exercise of options under the Eleco Share Plan. These undertakings will remain binding in the event that a higher competing offer for Eleco is made.

The irrevocable undertakings referred to in this paragraph 1 will cease to be binding on the earliest of the following occurrences:

a) only in the event of a switch from a Scheme to an Offer, if the Offer Document announcing the change in structure has not been published within 28 days of the date of this announcement or within such longer period as Bidco, with the consent of the Panel and in accordance with the terms of the Cooperation Agreement, determines;

b) the Scheme or Offer (as applicable) lapses or is withdrawn in accordance with its terms and no new, revised or replacement scheme or offer (as applicable) is announced at the same time;

c) the Scheme has not become effective by 11.59 p.m. (London time) on the Long Stop Date (or, in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Takeover Code, on the long stop date provided for in the terms of such offer in accordance with Rule 12 of the Takeover Code);

d) the date on which any competing offer for the entire issued and to be issued share capital of Eleco is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective; or

e) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced in accordance with Rule 2.7 of the Takeover Code at the same time.

2. Other Irrevocable Undertakings

In addition to the Eleco Directors, the following shareholders have given irrevocable undertakings to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept (or procure the acceptance of) the Offer) in respect of their own beneficial holdings (or those Eleco Shares over which they have control) of Eleco Shares.

| **Name** | **Total number of Eleco Shares** | **Percentage of existing issued share capital** |
|---|---|---|
| *Allen & Co* | | |
| Herbert Allen (*beneficial owner: Allen & Co. Inc.*) | 7,712,202 | 9.14% |
| Herbert Allen (*beneficial owner: Herbert Allen*) | 943,502 | 1.12% |
| Herbert Allen (*beneficial owner: Susan Allen*) | 943,502 | 1.12% |
| Herbert Allen (*beneficial owner: James W Quinn Grat No.4*) | 187,363 | 0.22% |
| Herbert Allen (*beneficial owner: James W Quinn*) | 209,011 | 0.25% |
| Herbert Allen (*beneficial owner: The Estate of Donald Keough*) | 943,502 | 1.12% |
| Herbert Allen (*beneficial owner: Bruce Allen*) | 943,502 | 1.12% |
| *Ketteley* | | |
| J M Finn Nominees Limited (*beneficial | 4,098,456 | 4.86% |

| | | |
|---|---|---|
| *owner: John Henry Beevor Ketteley*) | | |
| Alexandra Julia Kilgour O'Connor | 951,822 | 1.13% |
| Sara Jane Doran | 951,823 | 1.13% |
| Thomas Jack Saseedharan Ketteley | 951,822 | 1.13% |
| Stephen John Ketteley | 951,823 | 1.13% |
| **TOTAL** | **19,788,330** | **23.45%** |

The irrevocable undertakings for Allen & Co and certain members of the Ketteley family will remain binding in the event that a higher competing offer for Eleco is made.

In addition, the following shareholders have given non-binding letters of intent to vote (or, where applicable, procure voting) in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept (or procure the acceptance of) the Offer) in respect of their own beneficial holdings (or those Eleco Shares over which they have control) of Eleco Shares.

| **Name** | **Total number of Eleco Shares** | **Percentage of existing issued share capital** |
|---|---|---|
| Charles Stanley | 6,343,418 | 7.52% |
| J O Hambro | 2,125,000 | 2.52% |
| Janus | 3,143,443 | 3.73% |
| Jupiter | 6,353,001 | 7.53% |
| **TOTAL** | **17,964,862** | **21.29%** |

## Appendix 4
## Definitions

**The following definitions apply throughout this document unless the context otherwise requires:**

| | |
|---|---|
| "**2006 Act**" | the Companies Act 2006, as amended from time to time |
| "**2025 Eleco Annual Report**" | the annual report and audited accounts of the Eleco Group for the year ended 31 December 2025 |
| "**Accel-KKR**" | AKKR Fund VII GP LP |
| "**Accel-KKR Funds**" | funds managed and/or advised by Accel-KKR and its affiliates |
| **"Acquisition**" | the proposed cash acquisition by Bidco of the entire issued, and to be issued, share capital of Eleco by means of the Scheme, or should Bidco so elect (subject to the consent of the Panel, if required, and the terms of the Cooperation Agreement), by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof |
| **"Acquisition Price"** | 235 pence per Eleco Share |
| **"Adjusted EBITDA"** | EBITDA before lease payments |
| "**AIM**" | AIM, a market operated by the London Stock Exchange |
| **"AIM Rules"** | the rules of AIM as set out in the "AIM Rules for Companies" issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM |
| **"Allen & Co"** | together, Allen & Co. Inc., Herbert Allen, Susan Allen, James W Quinn Grat No.4, James W Quinn, The Estate of Donald Keough and Bruce Allen |
| "**Articles**" | the articles of association of Eleco from time to time |
| "**associated undertaking**" | shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations |
| "**Authorisations**" | authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, |

| | |
|---|---|
| | certificates, permissions or approvals, in each case of a Third Party |
| "**Bidco**" | Avocet Bidco Limited |
| "**Bidco Group**" | Bidco and its subsidiary undertakings and where the context permits, each of them |
| "**Business Day**" | a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business |
| "**Cash EBITDA**" | EBITDA less capitalisation of intangible development expenditure |
| "**Cavendish**" | Cavendish Capital Markets Limited |
| "**certificated**" or "**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) |
| "**Charles Stanley**" | Raymond James Wealth Management (RJWM) Limited |
| "**Closing Price**" | the closing middle market price of an Eleco Share as derived from the Daily Official List on any particular date |
| "**Condition**" | each of the conditions listed in Part A of Appendix 1 and any reference to a numbered Condition shall be a reference to the Condition set out in the paragraph of Part A of Appendix 1 bearing such number |
| "**Confidentiality Agreement**" | the confidentiality agreement dated 21 July 2026 between Eleco and Accel-KKR |
| "**Cooperation Agreement**" | the cooperation agreement dated on or around the date of this announcement between Eleco and Bidco |
| "**Court**" | the High Court of Justice in England and Wales |
| "**Court Meeting**" | the meeting of Scheme Shareholders to be convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution will be proposed to approve the Scheme, including any adjournment, postponement or reconvening thereof |
| "**Court Order**" | the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act |

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| "**CREST**" | the relevant system (as defined in the Regulations) in respect of which Euroclear UK & International Limited is the operator (as defined in CREST) |
| "**Daily Official List**" | the daily official list of the London Stock Exchange |
| "**Dealing Disclosure**" | has the same meaning as in Rule 8 of the Takeover Code |
| "**Disclosed**" | the information: (a) disclosed by or on behalf of Eleco: (i) in the 2025 Eleco Annual Report; (ii) in the half year results for the six months period ended 30 June 2026; (iii) in this announcement; or (iv) in any other announcement to a Regulatory Information Service prior to the publication of this announcement; or (b) fairly disclosed in writing (including email or via the virtual data room operated by or on behalf of Eleco in respect of the Acquisition) to Bidco, Accel-KKR or any of its or their (or their affiliates') officers, employees, agents or advisers (in their capacity as such) |
| "**Disclosure Guidance and Transparency Rules**" | the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA |
| "**Eleco**" | Eleco plc |
| "**Eleco Board**" or "**Eleco Directors**" | the directors of Eleco |
| "**Eleco Group**" | Eleco and its subsidiary undertakings and where the context permits, each of them |
| "**Eleco Shareholder(s)**" | the holders of Eleco Shares |
| "**Eleco Share Plan**" | means the Eleco 2014 Share Option Plan, as amended from time to time |
| "**Eleco Shares**" | the existing unconditionally allotted or issued and fully paid ordinary shares of 1 pence each in the capital of Eleco and "**Eleco Share**" means any one of them |
| "**EBITDA**" | earnings before interest, tax, depreciation, amortisation, acquisition-related expenses, impairment charges, and share-based payments and after lease payments |
| "**Effective**" | in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of the Offer, the Offer having been declared or having become unconditional in all respects in |

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| | accordance with the requirements of the Takeover Code |
| "**Effective Date**" | the date on which the Acquisition becomes Effective |
| "**Excluded Shares**" | any Eleco Shares which are: (i) registered in the name of or beneficially owned by Bidco and/or any member of the Wider Bidco Group (and/or any nominee of the foregoing); and (ii) held by Eleco in treasury, in each case, at the relevant date or time |
| "**FCA**" | the Financial Conduct Authority or its successor from time to time |
| "**FCA Handbook**" | the FCA's Handbook of rules and guidance as amended from time to time |
| "**General Meeting**" | the general meeting of Eleco to be convened to consider and if thought fit approve, inter alia, the Resolution(s) (with or without amendment) including any adjournments, postponement or reconvening thereof |
| "**J O Hambro**" | J O Hambro Capital Management Limited |
| "**Janus**" | Janus Henderson Investors UK Limited |
| "**Jupiter**" | Jupiter Asset Management Limited, acting as investment manager of the Rights & Issues Investment Trust PLC and Jupiter UK Smaller Companies Fund |
| "**Kekst CNC**" | Kekst and Company Incorporated |
| "**Ketteley**" | together, John Henry Beevor Ketteley, Alexandra Julia Kilgour O'Connor, Sara Jane Doran, Thomas Jack Saseedharan Ketteley and Stephen John Ketteley |
| "**London Stock Exchange**" | the London Stock Exchange plc or its successor |
| "**Long Stop Date**" | 10 March 2027 or such later date as may be agreed between Bidco and Eleco and, if required, the Panel and the Court may allow |
| **"Market Abuse Regulation"** | assimilated Regulation (EU) 596/2014, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended from time to time |
| "**Meetings**" | the Court Meeting and the General Meeting |
| "**NSI Act**" | the UK National Security and Investment Act 2021 |

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|---|---|
| "**Offer**" | subject to the consent of the Panel and the terms of the Cooperation Agreement, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the 2006 Act, the offer to be made by or on behalf of Bidco to acquire the entire issued, and to be issued, share capital of Eleco on the terms and subject to the conditions to be set out in the related offer document, and, where the context admits, any subsequent revision, variation, extension or renewal of such offer |
| "**Offer Period**" | the offer period (as defined by the Takeover Code) relating to Eleco which commenced on the date of this announcement |
| "**Opening Position Disclosure**" | an announcement pursuant to Rule 8 of the Takeover Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Acquisition |
| "**Overseas Shareholders**" | holders of Scheme Shares who are resident in, ordinarily resident in, nationals or citizens of, jurisdictions outside the United Kingdom |
| "**Panel**" | the Panel on Takeovers and Mergers |
| "**PRA**" | the Prudential Regulation Authority or its successor from time to time |
| "**Registrar of Companies**" | the Registrar of Companies in England and Wales |
| "**Regulations**" | the Uncertificated Securities Regulations 2001 |
| "**Regulatory Information Service**" | a regulatory information service as defined in the FCA Handbook |
| "**Relevant Authority**" | any central bank, ministry, governmental, quasi-governmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction |
| "**relevant securities**" | has the meaning given in the Takeover Code |

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| "**Resolution(s)**" | the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including, amongst other things, a special resolution proposed in connection with, inter alia, implementation of the Scheme and certain amendments to be made to the Articles |
| "**Restricted Jurisdiction**" | any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Eleco Shareholders in that jurisdiction |
| "**Rothschild & Co**" | N. M. Rothschild & Sons Limited |
| "**Sanction Hearing**" | the Court hearing to sanction the Scheme |
| "**SaaS**" | software-as-a-service |
| "**Scheme**" | the proposed scheme of arrangement under Part 26 of the 2006 Act between Eleco and the holders of the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Eleco and Bidco |
| "**Scheme Document**" | the document to be sent to Eleco Shareholders and persons with information rights containing, amongst other things, the Scheme and notices of the Meetings and proxy forms in respect of the Meetings |
| "**Scheme Record Time**" | the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately prior to the date of the Sanction Hearing |
| "**Scheme Shareholders**" | holders of Scheme Shares |
| "**Scheme Shares**" | all Eleco Shares: (i) in issue at the date of the Scheme Document; (ii) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme, but in each case other than any Excluded Shares |
| "**Stephens**" | Stephens Europe Limited |
| "**subsidiary**", "**subsidiary undertaking**" and "**undertaking**" | shall be construed in accordance with the 2006 Act |

| | |
|---|---|
| "**Takeover Code**" | the City Code on Takeovers and Mergers issued by the Panel on Takeovers and Mergers, as amended from time to time |
| "**Third Party**" | has the meaning given to it in Condition 3.4 of Part A of Appendix 1 |
| "**UK**" or "**United Kingdom**" | United Kingdom of Great Britain and Northern Ireland |
| "**uncertificated**" 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 |
| "**U.S.**" or "**United States**" | United States of America |
| "**Voting Record Time**" | the time and date to be specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting and the General Meeting will be determined |
| "**Wider Bidco Group**" | Bidco Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent |
| "**Wider Eleco Group**" | Eleco and associated undertakings and any other body corporate, partnership, joint venture or person in which Eleco and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent (excluding, for the avoidance of doubt, Bidco and all of its associated undertakings which are not members of the Eleco Group) |

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

All references to "pounds", "pounds Sterling", "Sterling", "GBP", "£", "pence", "penny" and "p" are to the lawful currency of the United Kingdom.

All times referred to are London time unless otherwise stated.

A reference to "includes" shall mean "includes without limitation", and references to "including" and any other similar term shall be construed accordingly.

References to the singular include the plural and vice versa.

## SCHEDULE 2
## TARGET SHARE PLAN AND EMPLOYEE RELATED MATTERS

### Part 1 - General

1. In this Schedule 2, each of the following words and expressions shall have the following meanings:

   "**Awards**" means all options over Target Shares granted under the Target Share Plan which are outstanding from time to time;

   "**Court Sanction Date**" means the date on which the Court sanctions the Scheme under section 899 of the Companies Act;

   "**CSOP Option**" has the meaning given to that expression in the CSOP Sub-Plan;

   "**CSOP Sub-Plan**" means the CSOP sub-plan established pursuant to the addendum to the Target Share Plan for UK resident employees, as amended from time to time;

   "**EMI Option**" has the meaning given to that expression in the Target Share Plan;

   "**ESOT**" means the Eleco Holdings plc Employee Share Ownership Trust;

   "**ITEPA**" means Income Tax (Earnings and Pensions) Act 2003;

   "**Option**" means any option over the Target Shares granted pursuant to the Target Share Plan, including EMI Options, CSOP Options and non-tax-qualified options;

   "**Qualifying Termination**" means:

   a. any termination of employment taking effect on or after the Effective Date by reason of the Target Employee's redundancy, as defined by applicable law;

   b. any termination of employment by the employer taking effect on or after the Effective Date other than:

      i. by reason of the Target Employee's misconduct or poor performance, provided that, in the opinion of the Target HR Director (or, if that person is no longer in role, the Target Employee responsible at the relevant time for HR activities within the Target Group), an appropriate and reasonable disciplinary process or performance improvement plan was followed prior to termination; or

      ii. where the employer is entitled pursuant to the Target Employee's contract of employment or applicable law to dismiss the Target Employee summarily without notice or payment in lieu of notice; and

   c. any termination of employment taking effect on or after the Effective Date by reason of the Target Employee's resignation in circumstances amounting to constructive dismissal and/or where, without the Target Employee's express written consent:

      i. the Target Employee's role and/or reporting level and/or status has been materially diminished;

      ii. there is a material reduction in the Target Employee's compensation, benefits and allowance package, including pension benefits and cash and equity incentive opportunities, taken together as a whole; and/or

iii. the Target Employee's normal place of work has been moved more than 25 miles from their normal place of work as at the Effective Date.

"**Participants**" means those individuals who are participants in, and hold Awards granted under, the Target Share Plan;

"**Scheme Record Time**" means the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately before the date of the Scheme Hearing;

"**Target Employee**" means an employee of the Target Group from time to time;

"**Target Remuneration Committee**" means the remuneration committee of the Target Directors; and

"**Target Share Plan**" means the Eleco 2014 Share Option Plan, including the CSOP Sub-Plan, as amended from time to time.

2. The parties to this Agreement agree that the provisions of this Schedule 2 shall apply in respect of the Target Share Plan (Part 2) and certain other employee matters (Part 3).

3. Target and Bidder acknowledge that they intend to act in a way that will not disadvantage any favourable tax treatment available to the Participants with respect to structuring the arrangements referred to in this Schedule 2. Subject to applicable confidentiality, legal and regulatory requirements, each party will co-operate reasonably with the other to facilitate the implementation of the arrangements set out in this Schedule 2.

4. Bidder acknowledges that, following prior consultation with Bidder and having provided Bidder with reasonable time to review and comment on any draft submission, the Target may make any submission to the Panel which it deems necessary to implement the arrangements contemplated by this Schedule 2, and Bidder agrees to co-operate promptly and in good faith in the making of any such submission.

5. If the Acquisition is implemented by way of an Offer, references in this Schedule 2 to the Court Sanction Date and the Effective Date will be read as if they referred to the date on which the Offer becomes or is declared unconditional in all respects.

6. The acknowledgements in this Schedule 2 do not impose contractual restrictions or obligations on any member of the Target Group or their boards of directors.

**Part 2 - Target Share Plan**

7. Target confirms that, as at the Business Day prior to the date of this Agreement, the following Awards over Target Shares were outstanding under the Target Share Plan:

| Target Share Plan | Form of Award | Number of Target Shares subject to outstanding Award |
|---|---|---|
| Eleco 2014 Share Option Plan | Options | 4,845,000 |

8. Target further confirms that, as at 31 December 2025, the ESOT held 907,849 Target Shares which the Remuneration Committee will request the trustee to apply in the satisfaction of Awards under the Target Share Plan.

9. Target confirms that no further Awards have been granted under the Eleco 2014 Share Option Plan since 1 June 2026 and that it does not intend to grant any further Awards under the Target Share Plan during the period commencing on the date of this Agreement and ending on the earlier of the Long Stop Date and the Effective Date.

10. Bidder and Target acknowledge that:

    (a) Target and Bidder intend to write jointly to participants in the Target Share Plan on, or as soon as practicable after, the posting of the Scheme Document to inform them of: (i) the impact of the Scheme on their outstanding Awards under the Target Share Plan and the extent to which such Awards become exercisable as a result of the Scheme; and (ii) Bidder's proposals pursuant to Rule 15 of the Code; and

    (b) Target Shareholders' approval will be sought to amend the articles of association of Target by the adoption of a new article under which any Target Shares issued or transferred on or after the Scheme Record Time as a result of the exercise of any Awards will be automatically transferred to, or to the order of, Bidder in exchange for the provision by Bidder of the same consideration payable per Target Share under the Scheme.

11. Bidder acknowledges and agrees that, to the extent permitted by the rules of the Target Share Plan and applicable Law, if Target Shares cannot practicably be issued or transferred upon the exercise of Awards (or if the Target Remuneration Committee considers that it is inconvenient or costly to issue or transfer such Target Shares), Target may make arrangements for such Awards to be settled in cash, other than in circumstances where such cash settlement would adversely affect any favourable tax treatment available to participants in the Target Share Plan or to Target.

**Eleco 2014 Share Option Plan**

12. Bidder acknowledges that:

    (a) the Acquisition is expected to constitute a 'Sale' and therefore an 'Exit Event' for the purposes of, and as defined in, the Target Share Plan and that, in any event, the Target Directors may, in accordance with the rules of the Target Share Plan, determine that the Acquisition, the Court sanctioning the Scheme or any other event occurring in connection with the Acquisition constitutes an Exit Event for the purposes of the Target Share Plan;

    (b) Awards which have vested may be exercised in connection with the Acquisition in accordance with the rules of the Target Share Plan and the terms of the relevant Awards; and

    (c) the Target Remuneration Committee intends, conditional upon the Court sanctioning the Scheme and to the extent permitted by the rules of the Target Share Plan and the terms of the relevant Awards, to exercise its discretion to determine that the applicable Performance Targets should be treated as satisfied at the maximum level and the relevant Awards should vest in full with no reduction to reflect the early vesting of Awards.

13. Target may, in accordance with Rule 12 of the Target Share Plan, make arrangements permitting Participants to exercise Awards before the Acquisition becomes Effective conditional upon the Scheme becoming Effective.

14. Awards which become exercisable in connection with the Acquisition will remain exercisable for the period specified by the Target Remuneration Committee in accordance with the rules of

the Target Share Plan and the terms of the relevant Awards, which period may not exceed six months or such shorter period as set out in the Target Share Plan in respect of the relevant Options. To the extent not exercised during the applicable period, such Awards will lapse in accordance with the rules of the Target Share Plan.

15. The satisfaction of any Awards described herein will be subject to the usual deductions for applicable taxes and National Insurance contributions and similar social security contributions or deductions.

**CSOP Sub-Plan**

16. Bidder acknowledges and agrees that, on the Court Sanction Date, each CSOP Option will become exercisable to the extent vested and, to the extent determined by the Target Remuneration Committee in accordance with the rules of the CSOP Sub-Plan, in respect of some or all of the Target Shares subject to that CSOP Option which have not vested.

17. Target may, in accordance with the rules of the CSOP Sub-Plan, make arrangements permitting Participants to exercise CSOP Options during the period of 20 days ending on the Court Sanction Date, on terms that, if the Court does not sanction the Scheme, that exercise will be treated as having had no effect.

18. Subject to paragraph 17 above, the period during which a CSOP Option may be exercised in connection with the Scheme will commence on the Court Sanction Date and will end on the first to occur of:

    (a) the end of the period of one month (or such longer period, not exceeding six months, as the Target Remuneration Committee may specify on or before the Court Sanction Date) beginning on the Court Sanction Date; and

    (b) if, as a result of Bidder obtaining Control of Target, the Target Shares cease to satisfy the requirements of Part 4 of Schedule 4 to ITEPA, the date falling 20 days after Bidder obtains Control of Target, and

    to the extent not exercised, the relevant CSOP Option will lapse at the end of that period.

**ESOT**

19. Bidder and Target acknowledge and agree that any Target Shares held by the ESOT at the Scheme Record Time will participate in the Scheme on the same terms as other Target Shares.

20. To the extent permitted by the rules of the Target Share Plan and the terms of the ESOT, the Target will request that the trustee of the ESOT uses any Target Shares held by the ESOT on the Court Sanction Date to satisfy the exercise of Awards in connection with the Acquisition.

21. Nothing in this Agreement shall limit or prejudice the exercise by the trustee of the ESOT of any power or discretion vested in it under the terms governing the ESOT.

## Part 3 - Employee Matters

**Maintenance of compensation and benefits**

22. Bidder acknowledges that, subject always to the requirements of the Code and applicable Law, Target may carry out annual or other periodic salary and wage reviews, appraisals, promotion rounds and bonus determinations in the ordinary course of business and in a manner consistent with the past practice of the Target Group.

23. Bidder agrees that it shall, or shall procure that the relevant member of the Bidder Group or the Target Group shall, for the period of 12 months immediately following the Effective Date, in respect of each person who was a Target Employee immediately before the Effective Date and who remains employed by a member of the Target Group or the Bidder Group:

    (a) maintain a base salary or wage rate which is no less favourable than the base salary or wage rate provided to that Target Employee immediately before the Effective Date; and

    (b) provide a benefits package, including pension benefits but excluding annual bonuses and/or any share incentive arrangements, which, taken as a whole, is no less favourable than the compensation and benefits package provided to that Target Employee immediately before the Effective Date.

**Annual bonus arrangements**

24. Bidder acknowledges that members of the Target Group operate annual cash bonus arrangements for the benefit of certain Target Employees under which awards are subject to the achievement of corporate, financial, strategic and/or individual performance conditions.

25. Subject always to the requirements of the Code and applicable Law, Target may determine and pay bonuses in respect of the financial year ending 31 December 2026 in the ordinary course of business and in accordance with the normal practice of the Target Group, including as to eligibility, performance assessment, quantum and timing of payment.

26. If the Effective Date occurs before bonuses in respect of the financial year ending 31 December 2026 have been determined and paid, Bidder shall procure that:

    (a) those bonuses are determined by reference to the applicable bonus opportunities and performance conditions established or communicated by Target before the Effective Date;

    (b) the corporate, financial, strategic and individual performance conditions are assessed in good faith and on a fair and reasonable basis, having regard to the relevant performance measures, the applicable bonus arrangements and the Target Group's normal practice prior to the Effective Date and, in the case of any individual performance conditions, taking into account the relevant Target Employee's contribution to, and services performed in connection with, the Acquisition and its implementation (where applicable); and

    (c) any bonus determined to be payable is paid in cash, without deferral, at the time at which bonuses would ordinarily have been paid by the relevant member of the Target Group.

**Pensions**

27. Bidder acknowledges that employees of the Target Group participate in defined contribution pension arrangements and agrees that it shall, or shall procure that the relevant member of the Bidder Group or the Target Group shall, for the period of 12 months immediately following the Effective Date:

    (a) continue to provide defined contribution pension arrangements for Target Employees who remain employed by a member of the Target Group or the Bidder Group following the Effective Date; and

(b) maintain employer contribution rates which are no less favourable than the employer contribution rates applicable to each such Target Employee immediately before the Effective Date.

**Existing employment rights**

28. Bidder shall, and shall procure that each relevant member of the Bidder Group and the Target Group shall, comply with the contractual and statutory employment rights of Target Employees, including their rights in relation to pension benefits, in accordance with applicable Law.

**Severance arrangements**

29. Bidder agrees that, if any person who was a Target Employee immediately before the Effective Date is the subject of a Qualifying Termination or gives or receives notice in connection with a Qualifying Termination, in each case during the period from the Effective Date until the date falling 12 months after the Effective Date, Bidder shall procure that the relevant Target Employee receives:

(a) if paid in lieu of notice, such payment in a single lump sum, comprising the greater of (i) that Target Employee's contractual entitlement upon payment in lieu of notice and (ii) their base salary and the value of any contractual benefits which that Target Employee would have been entitled to receive during the period for which payment in lieu of notice is made (including any pension contributions or payments in lieu of pension contributions but excluding any bonus entitlements, share options and/or other discretionary incentives);

(b) payment in respect of accrued but untaken holiday and any other accrued contractual entitlement;

(c) any redundancy or severance pay, benefits and arrangements to which the relevant Target Employee is entitled under applicable law, contract or the applicable policies and practices of the Target Group immediately before the Effective Date, calculated or provided on a basis which is no less favourable than that applicable to the relevant Target Employee immediately before the Effective Date;

(d) a reasonable contribution towards legal fees if the Target Employee enters into a settlement agreement in connection with the termination of their employment, in accordance with the practice of the Target Group immediately before the Effective Date; and

(e) any accrued bonus entitlement calculated on a pro rata basis to the date of termination, subject always to performance to such date or, if required by applicable law, to the date upon which notice would have expired in the absence of a payment in lieu of notice; and

(f) reasonable and appropriate outplacement support commensurate with the Target Employee's seniority and consistent with the practices of the Target Group in the relevant jurisdiction.

**Non-executive directors**

30. Bidder acknowledges that, with effect from the Effective Date, the non-executive directors of Target are expected to resign from their offices as directors of Target.

31. Bidder agrees that Target may pay each non-executive director who resigns or whose appointment is terminated in connection with the Acquisition an amount equal to any fees and

benefits to which that non-executive director is entitled during their applicable notice period, together with any accrued but unpaid fees and properly incurred expenses.

**General**

32. Nothing in this Part 3 shall confer any right to continued employment on any Target Employee or prevent the termination of the employment of any Target Employee in accordance with their contractual rights and applicable Law.

[*Signature Pages Follow*]

**IN WITNESS WHEREOF** the parties have executed this Agreement on the date first set out above:

| | | |
|---|---|---|
| **EXECUTED BY** | ) | |
| [redacted] | ) | |
| acting for and on behalf of | ) | |
| **AVOCET BIDCO LIMITED** | ) | __________ [redacted] |

**EXECUTED BY** )
[redacted]__________ )
acting for and on behalf of ) __[redacted]__
**ELECO PLC**

**EXECUTED BY** )
___[redacted]__________ )
acting for and on behalf of ) ___[redacted]______
**ELECO PLC**