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THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to the decision you should take, you are recommended to consult an independent financial adviser who, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 or, if you are taking advice outside the United Kingdom, from another appropriately authorised independent financial adviser.

To: holders of options ("Options") under the Hotel Chocolat Group plc 2016 Long Term Incentive Plan (the "LTIP")

Summary of Proposal

You are able to exercise any Options you hold in connection with the Acquisition.

The recommended proposal is for you to exercise your Options as soon as practicable following Court Sanction of the Acquisition so that you receive £3.75 per Hotel Chocolat Share, after deductions for your aggregate exercise price and any tax liabilities. You do not need to provide any funds to exercise your Options. You are able to exercise any Options you hold by submitting an Online Exercise Request through the Hotel Chocolat ESP Portal at [REDACTED] by 5.00pm UK time on 09 January 2024.

Alternatively, you have the ability to exercise your Options in the period of six months after the Court Sanction Hearing Date in the case of non tax-advantaged Options, or the period of 20 days after the Court Sanction Hearing Date in the case of tax-advantaged Options. You are able to exercise any Options you hold by contacting [REDACTED] after the Court Sanction Hearing Date. Even if you choose to exercise later, you will receive the same amount of £3.75 per Hotel Chocolat Share (subject to deductions for your tax liabilities), but you would need to fund your aggregate exercise price from your own resources in order to exercise your Options. You would also receive the proceeds of sale later than if you accept the recommended Proposal and exercise following Court Sanction of the Acquisition using the Hotel Chocolat ESP Portal.

14 December 2023

Dear Participant

Proposal to holders of LTIP Options in connection with the Acquisition of Hotel Chocolat

On 16 November 2023, the board of Hive Bidco, Inc. ("**Bidco**") and the board of Hotel Chocolat Group plc ("**Hotel Chocolat**") announced they had agreed the terms of a recommended cash offer of £3.75 per Hotel Chocolat ordinary share (a "**Hotel Chocolat Share**", the "**Acquisition**" and the "**Acquisition Price**"). The Acquisition is to be implemented through a court process known as a scheme of arrangement, whereby Hotel Chocolat Shareholders are asked to approve the offer and, once this approval has been given, Hotel Chocolat will apply to the High Court to have all of its shares automatically transferred to Bidco (the "**Scheme**"). More information on the Acquisition is set out in the document setting out the terms of the Scheme, which is available at <https://www.hotelchocolat.com/uk/investor-relations-offer.html> (the "**Scheme Document**"). Please note that the Partial Share Alternative referred to in the Scheme Document is not available in respect of Hotel Chocolat Shares acquired pursuant to the exercise of Options.

Unless otherwise defined, terms defined in the Scheme Document shall have the same meaning in

this letter.

1. What is the purpose of this letter?

The purpose of this letter is to explain in more detail the effect that the Acquisition will have on your Options granted under the LTIP, the proposal being made to you in respect of your Options in connection with the Acquisition, and the action you may wish to take in respect of your Options.

If you have any questions regarding your participation in the LTIP please contact Equiniti on 0371 384 2891. If you are calling from outside the UK, calls will be charged at the applicable international rate. The Equiniti Employee Helpdesk is open from 8:30am to 5:30pm UK time Monday to Friday excluding public holidays in England and Wales.

If you participate in any other Hotel Chocolat share plan, you will receive a separate letter in relation to those options / awards. In particular, if you also hold ShareSave options under the Hotel Chocolat Save As You Earn Plan, you will have received a separate letter explaining the action you need to take if you want to exercise these options in connection with the Acquisition. Please follow those instructions to exercise your ShareSave options separately.

This letter does not apply to any Hotel Chocolat Shares you already own (either as a result of having already exercised options or otherwise). For the terms and conditions in relation to those Hotel Chocolat Shares, please refer to the Scheme Document.

2. What are the terms of the Scheme?

The Scheme must first be approved by Hotel Chocolat Shareholders. If all other conditions are satisfied or waived and the High Court then sanctions the Scheme ("**Court Sanction**") at a Court hearing which is expected to take place on 23 January 2024, the Scheme is scheduled to become effective on 25 January 2024 (the "**Effective Date**").

Subject to Court Sanction, the terms of the Scheme will extend to any Hotel Chocolat Shares that you acquire on the exercise of your Options and Bidco will acquire all Hotel Chocolat Shares subject to the Acquisition under the terms of the Scheme on the Effective Date.

If this timetable changes, we will update you.

3. What effect will the Acquisition have on your Options?

Options which are not yet exercisable (i.e. Options granted with a £0.001 per share exercise price) will **vest in full** and become exercisable early as a result of the Acquisition.

If you hold Options which are already vested and exercisable (i.e. Options granted in 2016 with a £1.48 exercise price) then, subject to any dealing restrictions, you may exercise those Options in accordance with their terms at any time. Options which are not exercised on the Court Sanction Hearing Date (or earlier in accordance with their terms), or in the period of six months after the Court Sanction Hearing Date in the case of non tax-advantaged Options or the period of 20 days after the Court Sanction Hearing Date in the case of tax-advantaged options, will lapse and cease to be of any value.

4. What is the Proposal?

You have two choices as to when you may exercise your Option(s) in connection with the Acquisition, which in either case (unless your Option(s) are already exercisable) will be conditional on Court Sanction. You are able to decide when you would prefer to exercise your Option(s), but the recommended proposal is that you exercise your Option(s) upon Court Sanction (the "**Proposal**"). Please note that the Partial Share Alternative described in the Scheme Document is not available in respect of Hotel Chocolat Shares acquired through the exercise of Options.

Proposal: exercise upon Court Sanction

You may exercise your Options in advance of the Scheme but conditional upon, and with effect from

immediately following, Court Sanction.

If you choose to do this, please access the Hotel Chocolat ESP Portal at [REDACTED] and submit an online exercise request (the "Online Exercise Request") by 5.00pm UK time on 09 January 2024.

Once you have exercised your Options, the Hotel Chocolat Shares you receive will be acquired by Bidco under the terms of the Scheme for the Acquisition Price on the Effective Date, without any further action from you.

By exercising using the Online Exercise Request, Hotel Chocolat will arrange for the aggregate exercise price and any legally required deductions for income tax and employee's social security contributions (or similar) (the "Tax Liability") to be withheld from the aggregate Acquisition Price payable to you by Bidco under the terms of the Scheme.

Hotel Chocolat will then arrange for the net Acquisition Price to be paid to you into the same bank account as your salary is paid. Payment will be made following receipt by Hotel Chocolat of the aggregate Acquisition Price on your behalf and otherwise in accordance with the terms of the Scheme.

Alternative choice: exercise at a later date

Alternatively, you can choose to exercise your Option(s) at a later date, but in any event within the period of six months after the Court Sanction Hearing Date in the case of non tax-advantaged Options or the period of 20 days after the Court Sanction Hearing Date in the case of tax-advantaged options. If you would prefer to do this, please contact [REDACTED] after the Court Sanction Hearing Date.

If you choose to exercise your Option(s) later, you will need to pay the full exercise price to Hotel Chocolat in advance of exercise and you will then receive Hotel Chocolat Shares following exercise. These Hotel Chocolat Shares will be automatically acquired by Bidco for the same cash consideration as under the Scheme (i.e. £3.75 per Hotel Chocolat Share).

Hotel Chocolat will arrange for any Tax Liability to be withheld from the aggregate Acquisition Price payable to you by Bidco and will then arrange for the net Acquisition Price to be paid to you into the same bank account as your salary is paid.

If you choose to accept the Proposal by exercising at a later date than the Court Sanction Hearing Date, then you should be aware that you will be entitled to receive payment of the same gross Acquisition Price of £3.75 per share but at a later date than if you had accepted the Proposal to exercise on Court Sanction.

5. By when must you submit an exercise request?

If you choose to accept the Proposal and exercise your Options on the Court Sanction Hearing Date, you should submit an Online Exercise Request through the Hotel Chocolat ESP Portal at [REDACTED].

You are requested to submit your Online Exercise Request as soon as possible and in any event by **no later than 5.00pm UK time on 09 January 2024.** By completing and submitting the Online Exercise Request, you agree and acknowledge that the exercise of your Options will be conditional upon Court Sanction.

Please read the notes and the terms and conditions appended to this letter carefully before you complete an Online Exercise Request. These notes tell you how to complete the Online Exercise Request to exercise your Options and participate in the Acquisition.

If you hold more than one LTIP Option, you only need to complete one Online Exercise Request in respect of all of your Options under the LTIP.

To exercise your Option(s) at a later date you should contact [REDACTED] [REDACTED] after the Court Sanction Hearing Date.

If you also hold ShareSave options, you will have received a separate letter explaining the action you need to take to exercise these options in connection with the Acquisition. Please follow those instructions to exercise your ShareSave options separately.

6. Can you exercise your Options in the normal way before Court Sanction?

Subject to any dealing restrictions, you can choose to exercise any Options which are already vested and exercisable (or which vest and become exercisable in the ordinary course before the Court Sanction Hearing Date) at any time before the Court Sanction Hearing Date.

If you wish to do so, you should complete the separate "Exercise Option Journey" task on the Hotel Chocolat ESP Portal at [REDACTED]. If you choose to accept the Proposal and exercise your Options on Court Sanction, that selection will also apply to any existing Options that are already vested and exercisable, subject to any earlier lapse in accordance with their terms.

7. What happens if you do nothing?

It is important that you take the appropriate course of action in relation to your Options as soon as possible. In particular, your Options will only be exercisable for a limited period under the rules of the LTIP and if you do nothing, your Options will **lapse** and cease to be of any value in due course in accordance with the rules of the LTIP.

8. What are the tax implications of exercising your Options?

A brief summary of the tax implications of exercising your Options under the Proposal is set out at the Appendix to this letter.

However, if you are subject to tax in a jurisdiction other than the UK, or if you are in any doubt as to your personal tax position, you are advised to seek independent professional advice in relation to your tax liabilities without delay.

9. What happens if you leave the Hotel Chocolat Group before the Court Sanction Hearing Date?

The normal rules of the LTIP in respect of leaving employment continue to apply before your Options are exercised. This means that if you leave employment then your Options may lapse, in which case this letter would stop being relevant to you (and, even if you have submitted an Online Exercise Request, you would not be able to exercise any Options).

10. Recommendation of the Hotel Chocolat Directors

The Hotel Chocolat Directors, who have been so advised by Lazard & Co. Limited and Liberum Capital Limited as to the financial terms of the Proposal, consider the terms of the Proposal as set out in this letter to be fair and reasonable in the context of the Acquisition. In providing their financial advice to the Hotel Chocolat Directors, Lazard & Co. and Liberum Capital Limited have taken into account the commercial assessments of the Hotel Chocolat Directors.

The Hotel Chocolat Directors recommend that you take your personal circumstances into account when determining whether to accept the Proposal set out in this letter or to exercise your Option(s) at a later date, but subject to the foregoing, recommend that you exercise your Options in accordance with the terms of the Proposal set out in this letter.

11. Further Information

If you are in any doubt as to what action to take or as to your tax position, you should consult your own independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser, without delay.

If you have any queries in relation to this letter please contact Equiniti without delay. If you have any queries in relation to how to complete the Online Exercise Request, you should contact Equiniti through on [REDACTED].

If you are calling from outside the UK calls will be charged at the applicable international rate. The Equiniti Employee Helpdesk is open from 8:30am to 5:30pm UK time Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. For legal reasons neither Equiniti nor anyone at Hotel Chocolat will be able to advise you of the course of action that you should take in relation to your Options nor give you any advice on any tax consequences associated with any particular course of action. **You are reminded that if you fail to take any action, your Options will, in due course, lapse and cease to be of any value.**

Yours faithfully,

[REDACTED]

[REDACTED]

for and on behalf of

Hotel Chocolat Group plc

Hive Bidco, Inc.

TAXATION APPENDIX

This Taxation Appendix is intended as a general guide to the **UK tax** implications of exercising your Options and participating in the Acquisition pursuant to the Proposal. This Taxation Appendix is not a full description of all the circumstances in which a tax liability may arise. It is based on current UK legislation and what is understood to be HMRC practice as at the date of the accompanying letter. **If you are in any doubt as to your tax position or if you are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate professional adviser without delay.**

Section A: Unapproved LTIP Options

This Section A applies to Options granted in 2016 with a £1.48 exercise price which were not granted as tax-advantaged CSOP Options and Options granted since 2021 with a nominal value exercise price.

1. Tax Liability

- 1.1 If you exercise your LTIP Options in connection with the Acquisition, unless such options are Qualifying CSOP Options (as defined below), you will have an income tax and an employee's National Insurance contribution ("**NICs**") liability to pay as a consequence of the exercise of such Options (the "**Tax Liability**") on the difference between the aggregate market value of the Hotel Chocolat Shares that you acquire on exercise (anticipated to be £3.75 per Hotel Chocolat Share) and your aggregate exercise price.
- 1.2 By submitting an Online Exercise Request, you will authorise Hotel Chocolat to deduct and retain an amount equal to your Tax Liability in addition to the amount of your aggregate exercise price from the Scheme proceeds payable to you. Hotel Chocolat will then account for the same to HMRC on your behalf under the PAYE system.

2. Capital gains tax (CGT)

As the entirety of your gain is subject to income tax and NICs, it is not anticipated that any CGT will arise on the disposal of your Hotel Chocolat Shares under the Acquisition. There are however complicated rules on capital gains if you are also an existing shareholder of Hotel Chocolat and will be disposing of Hotel Chocolat Shares as part of the Scheme. You should take your own tax advice if this applies to you.

Section B: CSOP Options

This Section B applies to Options granted in 2016 as tax-advantaged CSOP Options with a £1.48 exercise price ("**Qualifying CSOP Options**").

1. Tax Liability

- 1.1 Provided the CSOP qualifying conditions continue to be met (which is expected to be the case) and you remain an employee of Hotel Chocolat until the date of exercise, if you exercise a Qualifying CSOP Option in connection with the Acquisition, there should be **no** income tax or NICs liability to pay as a consequence of the exercise of such Options.

2. Capital Gains Tax

- 2.1 Following the exercise of a Qualifying CSOP Option, the amount of any gain which is chargeable to CGT on the disposal of your Hotel Chocolat Shares in connection with the Acquisition will be the amount by which the total cash you receive on the disposal of your Hotel Chocolat Shares (i.e. the aggregate Acquisition Price) exceeds the aggregate exercise price paid for those Hotel Chocolat Shares. CGT will be payable at a rate of 10% or 20%, depending on your personal circumstances.

- 2.2 You will not be liable to CGT unless your total chargeable gains (less allowable losses) from all sources for the applicable tax year exceed the annual exemption, which for 2023/2024 is currently £6,000. To the extent that a CGT charge arises, you must declare and pay any CGT under self-assessment (see paragraph 3 below).

3. Accounting For Tax Under Self-Assessment

Under the self-assessment regime, taxpayers are required to provide HMRC with all the information needed to calculate their taxable income (from all sources) and any chargeable gains. The calculation of tax may then be carried out either by the taxpayer or by HMRC. The time limit for filing a return on-line and paying your tax (if any) is the next 31 January following the end of the tax year in which the liability to pay tax arises. More information on completing a self-assessment tax return can be found at <https://www.gov.uk/self-assessment-tax-returns>.

TERMS AND CONDITIONS

These terms and conditions are important: they apply both to this letter and to any Online Exercise Request to exercise Option(s) on Court Sanction. You should read these terms and conditions carefully before submitting an Online Exercise Request. You should keep a copy of these terms and conditions for future reference.

1. In the event of any differences between this letter and the rules of the LTIP which govern the Options to which this letter relates or the applicable legislation, the rules or applicable legislation (as appropriate) will prevail. Copies of the LTIP rules and this letter are available on the Hotel Chocolat ESP Portal.

Submitting the online Exercise Request

2. The Online Exercise Request will be of no effect unless it is submitted in accordance with the instructions set out on the Hotel Chocolat ESP Portal by 5.00pm UK time on 09 January 2024.

Exercise of your Options pursuant to the online Exercise Request

3. By submitting the Online Exercise Request you confirm that you have had the opportunity to review the Scheme Document (which is available at <https://www.hotelchocolat.com/uk/investor-relations-offer.html>), this letter and the Hotel Chocolat ESP Portal, and have read and irrevocably agree to their respective terms and conditions.
4. By submitting the Online Exercise Request you confirm that your Options are valid, have not lapsed and are free from all mortgages and third party interests. You acknowledge that any Option certificate and/or notification in respect of your Options will become void once your Options have been exercised.
5. By submitting the Online Exercise Request you acknowledge that you wish to exercise all of your Options to the fullest extent possible.
6. The exercise of your Options pursuant to the Online Exercise Request will take effect on the date determined by the board of Hotel Chocolat in accordance with the terms of this letter.
7. By submitting the Online Exercise Request you accept that the cash consideration payable pursuant to the Acquisition for the Hotel Chocolat Shares acquired on exercise of your Options will be received by Hotel Chocolat on your behalf and will then, after any deductions in respect of any Tax Liability, be paid to you as set out in this letter into the same bank account as your salary is paid.
8. If the Scheme is not sanctioned by the High Court, your Online Exercise Request will have no effect on your Options, which will not be exercised.

Investment decision and taxation

9. Exercising your Options is a personal decision and, if you are in any doubt as to the decision you should take, you are recommended to consult an independent financial adviser who, if you are taking advice in the United Kingdom, is authorised under the Financial Services and Markets Act 2000 or, if you are taking advice outside the United Kingdom, from an appropriately authorised independent financial adviser. For legal reasons, neither Hotel Chocolat, Bidco nor Equiniti nor any of their respective employees can give any legal, financial or tax advice. By submitting your Online Exercise Request you acknowledge that you have not relied on any investment, tax or other advice from Hotel Chocolat, Bidco, Equiniti or any member of their respective groups of companies, or any employees, officers or agents thereof.

General

10. Options granted under the LTIP will generally (and subject to any earlier lapse) remain exercisable for six months after the Court Sanction Hearing Date (in the case of non tax-advantaged Options), or 20 days after the Court Sanction Hearing Date in the case of tax-advantaged Options. If you have left, or leave employment with Hotel Chocolat, your Options may lapse before this date, dependent upon the circumstances of your leaving (in accordance with the rules of the LTIP).
11. Hotel Chocolat Shares issued on the exercise of your Options following the Effective Date will be automatically transferred to Bidco as a result of an amendment which is proposed to be made to the articles of association of Hotel Chocolat (the "**Articles Amendment**"). Hotel Chocolat Shares which are transferred pursuant to the Articles Amendment will be transferred for the same cash consideration as under the Scheme (i.e. £3.75 per Hotel Chocolat Share).
12. None of Hotel Chocolat, Bidco, Equiniti, nor any member of their respective groups of companies, nor any employees, officers or agents thereof can be held responsible for any failure in the electronic delivery of the Online Exercise Request or any other document or any consequent loss.
13. If your Options lapse (to any extent) prior to the date on which the relevant terms of the Online Exercise Request become effective, the Online Exercise Request will be of no effect in respect of such lapsed Options.
14. The information collected in the Online Exercise Request will be used for data processing for which Equiniti is responsible and will be transmitted to any person(s) who require such information for the purposes of carrying out your instructions, and such persons will include Hotel Chocolat and Bidco.
15. This letter and the Online Exercise Request are each governed by and will be construed in accordance with the laws of England and you agree to submit to the exclusive jurisdiction of the English courts in respect of any dispute.

NOTES

Words and expressions defined in the Scheme Document and the rules of the LTIP will, unless the context otherwise requires, have the same meaning in this letter and the Online Exercise Request.

The release, publication or distribution of this letter in, into or from jurisdictions other than the United Kingdom and the availability of the Acquisition to shareholders of Hotel Chocolat who are not resident in the United Kingdom may be restricted by the laws of those jurisdictions. Therefore persons into whose possession this letter comes should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to sell or issue, nor the solicitation of an offer to buy or subscribe for, shares in any jurisdiction in which such offer or solicitation is unlawful.

The Hotel Chocolat Directors, whose names are set out in paragraph 2.1 of Part VIII of the Scheme Document, accept responsibility for the information contained in this letter (including expressions of opinion), other than information for which responsibility is taken by the Bidco Directors and the Mars Directors. To the best of the knowledge and belief of the Hotel Chocolat Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bidco Directors, whose names are set out in paragraph 2.2 of Part VIII of the Scheme Document, accept responsibility for the information contained in this letter (including any expressions of opinion) relating to Bidco, the Bidco Group, the Bidco Directors and the members of their respective immediate families, related trusts and other persons connected with them, and any persons acting in concert with Bidco (as such term is defined in the Takeover Code). To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Mars Directors, whose names are set out in paragraph 2.3 of Part VIII of the Scheme Document, accept responsibility for the information contained in this letter (including expressions of opinion) relating to Mars, Bidco, the Bidco Group and themselves and members of their respective immediate families, related trusts and other persons connected with them and any persons acting in concert with Bidco (as such term is defined in the Takeover Code). To the best of the knowledge and belief of the Mars Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this letter (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Lazard & Co. Limited, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Hotel Chocolat and no one else in connection with the Acquisition and will not be responsible to anyone other than Hotel Chocolat for providing the protections afforded to its clients or for providing advice in relation to the Acquisition. Neither Lazard & Co. Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard & Co Limited in connection with the Acquisition.

Liberum Capital Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively as financial adviser to Hotel Chocolat and no one else in connection with the Acquisition and will not be responsible to anyone other than Hotel Chocolat for providing the protections afforded to its clients or for providing advice in relation to the Acquisition. Neither Liberum Capital Limited nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Liberum Capital Limited in connection with the Acquisition.

Each of Lazard & Co. Limited and Liberum Capital Limited have given and not withdrawn their written consent to the issue of this letter with the inclusion of the references to their names in the form and context in which they appear.

Bidco is a newly-incorporated company formed for the purposes of implementing the Acquisition and is indirectly wholly-owned by Mars, Incorporated. Bidco is incorporated under the laws of Delaware in the United States of America and has neither traded since incorporation nor entered into any obligations, other than in connection with the Acquisition. Each of the Hotel Chocolat Shares that you acquire on the exercise of your Options will be purchased by Bidco for £3.75 per Hotel Chocolat Share.

Accidental omission to dispatch this letter to, or any failure to receive the same by, any person to whom the Proposal in the letter is made or should be made, will not invalidate the Proposal in any way.

All acceptances and elections in respect of the Proposal set out in this letter will be irrevocable and cannot subsequently be revoked.

The Proposal set out in this letter and all acceptances and elections in respect of the Proposal shall be governed by and construed in accordance with English Law.