

**THIS LETTER AND THE ACCOMPANYING FORM OF ELECTION ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial, tax and legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other 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.

The release, publication or distribution of this letter and/or the accompanying Form of Election (in whole or in part) in, into or from jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession these documents come should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the applicable laws of any such jurisdiction. To the fullest extent permitted by law, Codemasters, EA and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.

Neither this Letter nor the accompanying Form of Election constitute the extension of an offer to acquire, purchase, subscribe for, sell or exchange (or the solicitation of an offer to acquire, purchase, subscribe for, sell or exchange), any securities in any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and any such offer (or solicitation) may not be extended in any such jurisdiction.

**This Letter should be read in conjunction with the Scheme Document, the Notes and Appendices to this Letter and the accompanying Form of Election.**

**Codemasters Group Holdings plc**

(incorporated in England and Wales with company registration number 06123106)

Codemasters Campus  
Stoneythorpe  
Southam  
Warwickshire  
CV47 2DL  
England

**Codex Games Limited**

(incorporated in England and Wales with company registration number 13072037)

Onslow House  
Onslow Street  
Guildford  
Surrey  
GU1 4TN  
England

11 January 2021

To: all participants in the Codemasters Group Holdings plc Non-Executive Director Plan (the "**NEDP**")

Dear Participant,

**Recommended Acquisition of Codemasters Group Holdings plc by Codex Games Limited ("**Bidco**")**

**1. Background**

As you will be aware, on 14 December 2020, the boards of directors Electronic Arts Inc. ("**EA**") and Codemasters Group Holdings plc ("**Codemasters**") announced they had reached agreement on the terms of a recommended cash acquisition by Bidco, an indirect subsidiary of EA, of the entire issued and to be issued share capital of Codemasters (the "**Acquisition**").

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement (the "**Scheme**") under Part 26 of the Companies Act 2006. The Scheme will require the approval of Codemasters Shareholders and the sanction of the High Court of Justice of England and Wales (the "**Court**").

The Court hearing to sanction the Scheme is expected to take place at on 16 February 2021 ("**Court Sanction**") and the Scheme is expected to take effect on 18 February 2021 (the "**Effective Date**"), which is when the Acquisition will complete. The key dates under the current expected timetable are set out at Appendix 1 to this Letter. Please note that these dates are indicative only and are subject to change.

More information on the Scheme, including the expected timetable, is contained in the Scheme Document which was published on 7 January 2021 and which is available on Codemasters' website at [www.codemasters.com/investors/#electronic-arts](http://www.codemasters.com/investors/#electronic-arts) and on EA's website at [www.ea.com/codemasters-group](http://www.ea.com/codemasters-group). Other documents related to the Acquisition (including a copy of this Letter) are also available on Codemasters' and EA's websites.

Capitalised terms in this letter (the "**Letter**") have the same meanings as in the Scheme Document, unless otherwise defined in this Letter.

The purpose of this Letter is to explain the effect that the Acquisition will have on the options to acquire Codemasters Shares granted under the NEDP ("**Options**"), and to set out the choices available to you.

## **2. The Terms of the Acquisition**

Under the Acquisition, Scheme Shareholders will be entitled to receive the sum of 604 pence in cash for each Codemasters Share held at the Scheme Record Time. Your attention is drawn to the full terms of the Acquisition set out or referred to in the Scheme Document. This Letter should be read in conjunction with the Scheme Document.

## **3. Effect of the Acquisition on your Options**

Certain Options that you hold may already have vested and become exercisable under the rules of the NEDP. **Any of your Options which have not vested as at Court Sanction (which is currently expected to be on or around 16 February 2021) will automatically vest and be exercisable on Court Sanction under the rules of the NEDP, following which any unexercised Options will lapse on the Effective Date.**

If you wish to exercise Options which have already vested you should contact Human Resources at [REDACTED]. Alternatively you may prefer to accept the Exercise Proposal in respect of all your Options, as described in paragraph 4 below, by completing the accompanying Form of Election.

The Codemasters Shares to which you will become entitled on the exercise of your Options are referred to in this Letter as your "**Option Shares**".

**If you have taken no action by the Effective Date, your Options will lapse and be forfeited with no consideration payable. It is important that you accept the Exercise Proposal or otherwise exercise your Options prior to the Effective Date.**

## **4. The Exercise Proposal**

### **4.1 What is being proposed**

The proposal (the "**Exercise Proposal**") being made to you is that you exercise all of your Options in advance of and conditionally on Court Sanction, which is currently expected to be on 16 February 2021. This means that your Option Shares will be automatically acquired by Bidco on the Effective Date under the terms of the Scheme.

The exercise will be on a "cashless" basis which means that you will **not** have to make an upfront cash payment to Codemasters in order to exercise your Options. Under the Exercise Proposal you will irrevocably undertake to pay the cash exercise price due on the exercise of your Options (and any liability to income tax and employee national

insurance contributions (or their equivalent)) from the cash consideration due to you as further described in paragraph 4.2 below.

If you accept the Exercise Proposal, you will receive 604 pence in cash (less deductions for the exercise price and any liability to income tax and social security contributions (or their equivalent)) your "**Cash Consideration**") for each Option Share acquired by Bidco on the Effective Date, which is the same consideration due to all Codemasters Shareholders under the Scheme.

#### **4.2 Exercise Price and Tax Withholdings (if applicable)**

The exercise price payable as referred to in paragraph 4.1 above, together with any applicable withholdings for income tax and employee national insurance contributions (or their equivalent), will be deducted from your Cash Consideration.

**Please note that if you exercise your Options otherwise than under the Exercise Proposal, it may not be possible to fund your exercise price and any liability to income tax and employee national insurance contributions (or their equivalent) from your Cash Consideration and you will need to arrange for the payment of these amounts before you exercise your Options.**

#### **4.3 How to accept the Exercise Proposal**

You can accept the Exercise Proposal by completing the accompanying Form of Election and returning it to Human Resources either by:

- posting it to Human Resources, Codemasters Campus, Stoneythorpe, Southam, Warwickshire CV47 2DL; or
- scanning each page of the Form of Election and emailing the completed Form of Election to [REDACTED] with "NEDP Form of Election" in the subject line.

If you wish to accept the Exercise Proposal, please follow the steps outlined above as soon as possible and, in any event, to ensure that your completed Form of Election is received **no later than 5.00 pm on 11 February 2021** (the "**Exercise Proposal Deadline**"). Forms of Election received beyond this deadline may not be accepted.

The exercise of your Options under the Exercise Proposal will be conditional upon the sanction of the Scheme by the Court, and will not take effect until Court Sanction. Please read the explanatory notes and the terms and conditions printed on the accompanying Form of Election carefully before you complete it. If the Court does not sanction the Scheme and the Acquisition does not proceed, your acceptance of the Exercise Proposal will be of no effect, and your Options will remain in place (whether vested or unvested) on their existing terms.

You will receive your Cash Consideration (less deductions as referred to in paragraph 4.2 above) through your local payroll as soon as practicable following the receipt by Codemasters of the cash consideration from Bidco.

#### **4.4 Alternatives to the Exercise Proposal**

You may choose to exercise your Options (including any of your Options which vest and become exercisable on Court Sanction) outside the Exercise Proposal. If you exercise your Options before the Scheme Record Time, your Option Shares will be automatically acquired under the Scheme. If you exercise after the Scheme Record Time but before the Effective Date, your Option Shares will be automatically acquired by Bidco pursuant to the amended articles of association to be approved by Codemasters Shareholders as part of the Scheme. This will mean you will receive the same 604 pence per Option Share cash consideration (less deductions as referred to in paragraph 4.2 above) as if you had accepted the Exercise Proposal. However, in these circumstances, you will

have to make your own arrangements with Codemasters to pay the exercise price and any liability to income tax and employee national Insurance contributions (on their equivalents) due on the exercise of your (i.e. cashless exercise of your Options will not be available).

**If you wish to exercise your Options outside the Exercise Proposal, you should not complete or return the accompanying Form of Election, but instead contact Human Resources by email at [REDACTED] at least one week before the date on which you wish to exercise.**

**You are reminded that, if you fail to take any action and the Scheme is sanctioned by the Court and becomes effective, your Options will lapse on the Effective Date (see paragraph 3 above) and be forfeited without any consideration payable to you.**

## **5. Tax Implications of Exercising your Options**

A summary of the tax implications of exercising your Options is set out in Appendix 2 to this Letter. **If you are in any doubt as to your personal tax position, you should consult an appropriate independent professional tax adviser without delay.**

## **6. Codemasters Directors' Recommendation**

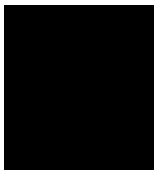
The Directors of Codemasters (the "**Codemasters Directors**"), who have been so advised by Jefferies International Limited ("**Jefferies**") as to the financial terms of the Exercise Proposal, consider the Exercise Proposal set out in this Letter to be fair and reasonable in the context of the Acquisition. In providing advice to the Codemasters Directors, Jefferies has taken into account the commercial assessments of the Codemasters Directors. Jefferies is providing independent financial advice to the Codemasters Directors for the purposes of Rule 15(b) of the Takeover Code.

The Codemasters Directors recommend that you exercise your Options in advance of, and conditionally on, Court Sanction by accepting the Exercise Proposal (in accordance with paragraphs 4.1 – 4.3 of this Letter) so that you do not have to make an upfront cash payment to Codemasters in respect of such exercise, as those Codemasters Directors who are participants under the NEDP intend to do in respect of the Options held by them.

## **7. General**

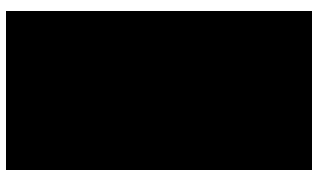
If you have any queries in relation to the Letter or how to complete the accompanying Form of Election, you should contact Human Resources by email at [REDACTED]. Please note that none of the officers or employees of Codemasters or EA will be able to advise you on the course of action that you should take in relation to your Options or in relation to your financial or tax position.

Yours faithfully



**Frank Sagnier  
For and on behalf of  
Codemasters Group Holdings plc**

Yours faithfully



**Jacob J. Schatz  
For and on behalf of  
Codex Games Limited**

## NOTES

1. If you are in any doubt as to the action you should take, you should seek your own personal financial, tax and legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial professional 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.
2. The Letter only deals with the right of exercise and lapse of Options as a consequence of the Acquisition. However, your Options may become exercisable and/or lapse for other reasons under the rules of the NEDP.
3. The accompanying Form of Election, including the notes and instructions on them, shall be deemed an integral part of the Exercise Proposal.
4. Accidental omission to despatch this Letter to, or failure to receive the same by, any person to whom the Exercise Proposal is made or should be made shall not invalidate the Exercise Proposal in any way.
5. The Exercise Proposal and acceptances and elections in respect of it shall be governed by, and construed in accordance with, the laws of England and Wales.
6. All acceptances and elections in respect of the Exercise Proposal made on the Forms of Election will be legally binding on you and irrevocable.
7. Jefferies, which is authorised and regulated by the Financial Conduct Authority, is acting exclusively for Codemasters and for no one else in connection with the Acquisition and the matters set out in this Letter and will not be responsible to anyone other than Codemasters for providing the protections afforded to clients of Jefferies, nor for providing advice in relation to the Acquisition or the matters set out in this Letter.
8. Jefferies has given and not withdrawn its written consent to the issue of this Letter with the inclusion of references to its name in the form and context in which they are included.
9. The Codemasters Directors, whose names are set out in paragraph 2(a) of Part 6 (*Additional Information*) of the Scheme Document, accept responsibility for the information contained in this Letter including any expressions of opinion, other than the information for which responsibility is taken by the Directors of Bidco (the "**Bidco Directors**") and the Directors of EA (the "**EA Directors**") pursuant to paragraph 10 below. To the best of the knowledge and belief of the Codemasters 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.
10. The Bidco Directors and the EA Directors whose names are set out in paragraph 2(b) and paragraph 2(c) respectively of Part 6 (*Additional Information*) of the Scheme Document, accept responsibility for the information contained in this Letter relating to EA and Bidco including any expressions of opinion. To the best of the knowledge and belief of the Bidco Directors and the EA Directors (who have taken all reasonable care to ensure that such is the case), the information contained in the 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.

**APPENDIX 1**  
**Scheme timetable**

The key expected dates for implementation of the Scheme are set out below. Further detail is contained in the Scheme Document.

1. The Court Meeting and the General Meeting of Codemasters to consider the Scheme are expected to take place on 3 February 2021 at 10:00 a.m. and 10:15 a.m. respectively.
2. The latest time by which Codemasters Shares which are to be acquired pursuant to the Scheme need to be on the register of members of the Company (being the Scheme Record Time) is 6:00 p.m. on 17 February 2021.
3. The Court hearing to sanction the Scheme is expected to take place at 10:30 a.m. on 16 February 2021.
4. The Scheme is expected to become effective on 18 February 2021.

## APPENDIX 2

### UK tax implications of the exercise of Options

**Except to the extent indicated below, this Appendix only addresses the tax position for a person who is resident and domiciled in the United Kingdom for tax purposes at the date of grant and exercise of the Options granted under the NEDP and at all other material times. The information contained in this Appendix is intended to assist you in your choice, but it is not a full description of all possible taxation implications or of all the circumstances in which a taxation liability may occur. If you are in any doubt as to your position or if you are not resident and domiciled in the United Kingdom, you should consult an appropriate independent professional tax adviser.**

Full details of the exercise of your Options will be given to HM Revenue & Customs ("**HMRC**") by Codemasters and should be reported by you on your self-assessment tax return, if you are required to complete a tax return.

If you exercise your Options and are a UK taxpayer, then you will be liable to income tax and employee national insurance contributions on the value of your Option Shares which you receive following exercise less the exercise price per share payable under your Options.

Any income tax and employee national insurance contributions arising on the exercise of your Options will be deducted from the cash consideration due to you for the acquisition of your Option Shares under the terms of the Scheme (together with payment of the exercise price in respect of your Options) and your tax liability will be paid to HMRC by Codemasters (or your employer, if different) under the UK Pay-As-You-Earn withholding/payroll system. You do not need to take any action in this respect.

The value of the Option Shares which you receive will be your base cost for capital gains tax purposes. No gain is expected to arise on their disposal to Bidco.

#### *Non-UK tax implications of the exercise of Options*

If you exercise your Options and you are not a UK taxpayer, you may be subject to tax and employee's social security contributions (or similar taxes or levies) depending on your tax residence and personal tax position. If you are resident in a jurisdiction in which your employer is obliged to withhold tax and/or employee's social security contributions (or similar taxes or levies), appropriate deductions from the payment of 604 pence due to you and as described in paragraph 4.2 of the Exercise Proposal will be made by Codemasters. You do not need to take any action in this respect.

**THIS FORM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial, tax and legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser 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.

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**FORM OF ELECTION FOR  
THE EXERCISE PROPOSAL FOR THE NEDP**

**in connection with the recommended acquisition  
of  
Codemasters Group Holdings plc  
by Codex Games Limited ("Bidco")**

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This Form of Election should be read in conjunction with the accompanying letter from Codemasters and Bidco dated 11 January 2021 (the "**Letter**"). Definitions used in the Letter and the Scheme Document apply in this Form of Election.

**If you wish to accept the Exercise Proposal described in the Letter, please return this Form of Election duly completed to Human Resources at Codemasters Campus, Stoneythorpe, Southam Warwickshire, CV47 2DL as soon as possible and, in any event, so as to be received no later than the Exercise Proposal Deadline. You can send a scanned copy of the completed Form of Election to [REDACTED].**



This Form of Election is important. Before completing it, please read the accompanying Letter and explanatory notes at the end of this Form of Election. If you wish to accept the Exercise Proposal, you should complete section 1 and section 2, and then return the completed Form of Election to Human Resources at Codemasters Campus, Stoneythorpe, Southam, Warwickshire CV47 2DL as soon as possible and, in any event, so as to be received no later than the Exercise Proposal Deadline. You can send a scanned copy of the completed Form of Election to [REDACTED].

**Section 1: Accept Exercise Proposal**

I have received or have been directed to and have had the opportunity to review the Scheme Document and the Letter from Codemasters and Bidco relating to the Exercise Proposal. I currently hold valid and subsisting Options under the NEDP.

By placing a tick in the box below, I hereby irrevocably: (i) accept the Exercise Proposal in respect of all my outstanding Options and, by doing so, elect to exercise such Options in full on Court Sanction; and (ii) acknowledge that my Option Shares will be acquired by Bidco under the Scheme on the Effective Date.

**Tick (✓) in this box to accept the Exercise Proposal.**

**Section 2:**

I hereby agree to the terms set out in the accompanying Letter and this Form of Election (including, for the avoidance of doubt, the Terms and Conditions attached hereto) and acknowledge that this Form of Election will be legally binding on me and is irrevocable.

**IN WITNESS** whereof this deed has been executed by me as follows and is intended to be and is delivered on the date below:

**SIGNED AND DELIVERED AS A DEED**

Signature: ..... (Participant to sign here)

Signed by: ..... (Enter Participant name here)

Dated: .....

In the presence of:

Witness signature: .....

Witness name: .....

Witness address: .....

**Note:** *Your witness must be independent, over 18 and not a member of your immediate family.*

## TERMS AND CONDITIONS

If you return the Form of Election, but the Form of Election is not received until after the Exercise Proposal Deadline, you irrevocably agree that Codemasters and Bidco may treat this Form of Election as if it had been received by the Exercise Proposal Deadline.

By completing and executing this Form of Election and returning it by the Exercise Proposal Deadline you irrevocably, in favour of Bidco and Codemasters and in respect of your Options to which this Exercise Proposal relates:

1. confirm that you have received or have been directed to and have had the opportunity to review the Scheme Document and the Letter;
2. confirm that you are entitled to exercise your Options and acknowledge that you are an employee or director of a company participating in the NEDP in accordance with the rules of the NEDP or are otherwise entitled to exercise your Options;
3. confirm that your Options is/are valid and has/have not lapsed and is/are free from all liens, mortgages and third party interests of any nature whatsoever and you acknowledge that any Option Agreement(s) in respect of your Options shall become void once your Options has/have been exercised pursuant to your decisions shown on this Form of Election;
4. if you have ticked the box in Section 1, accept the Exercise Proposal in respect of all your Options and, by doing so, elect to exercise such Options on Court Sanction;
5. undertake to pay the exercise price per Option Share for your Options (the “**Exercise Price**”) and all income tax and employee national insurance contributions (or any equivalent tax or social security in any jurisdiction outside the United Kingdom) (if any) (the “**Tax Liability**”) due on the exercise of your Options;
6. in discharge of the undertaking given above, authorise and instruct to Bidco to deduct from the cash consideration due to you for the acquisition of your Option Shares under the Scheme an amount equal to your aggregate Exercise Price and your Tax Liability (if any);
7. agree that the Option Shares you acquire as a result of the exercise of your Options will be acquired by Bidco pursuant to the Scheme;
8. acknowledge that the cash consideration due to you for your Option Shares under the Scheme will be paid by EA to Codemasters and you will receive your cash consideration (less the deductions referred to above) through your local payroll as soon as practicable following the receipt of the cash consideration from EA;
9. if you have duly signed and returned this Form of Election, but not ticked the box in Section 1, agree that you will be deemed as having accepted the Exercise Proposal in respect of all your Options;
10. authorise Codemasters and Bidco, jointly and severally, and any director or officer of Codemasters and Bidco or any person nominated by them as your attorney on your behalf to do all acts and things and to execute any document or provide any certification as may be necessary or desirable to give effect to or in consequence of the elections and acceptances you have made on this Form of Election, and you hereby undertake to execute any further documents that may be required in connection with such elections and acceptances;
11. confirm that all powers of attorney and authorities under the terms of this Form of Election are given by way of security for the performance of your obligations and cannot

be withdrawn or altered in accordance with Section 4 of the Powers of Attorney Act 1971;

12. undertake to confirm and ratify any action properly or lawfully taken on your behalf by any attorney appointed by or pursuant to this Form of Election;
13. acknowledge that neither Codemasters nor EA nor Bidco will be responsible for any consequential loss in the event of this Form of Election being incorrectly completed or where the Company has been unable to obtain clarification of your instructions;
14. agree to the use and processing of your personal data (including your National Insurance number) for the purposes of the Exercise Proposal and acknowledge that the Company has issued a privacy notice to you that includes details of how your personal data may be used in connection with the Acquisition, including the Exercise Proposal
15. acknowledge that you will be responsible for tax and employee social security contributions (or similar taxes or levies) which are not accounted for by Codemasters or its agent;
16. acknowledge that if any of your Options has lapsed or lapses before Court Sanction, completion of this Form of Election will be of no effect in respect of such lapsed Options;
17. acknowledge that you have no rights or claims whatsoever against Codemasters, EA, Bidco or any other person in connection with your participation in the NEDP;
18. acknowledge that in the event of any differences between the Letter, this Form of Election and the terms of the plan rules, the plan rules or relevant legislation will prevail; and
19. acknowledge that the Acquisition is subject to, inter alia, the Conditions to the Acquisition set out in Part 3 of the Scheme Document which form part of the terms set out in this Form of Election.

## **EXPLANATORY NOTES FOR COMPLETING THE FORM OF ELECTION**

### **Section 1**

Tick the box in section 1 in order to accept the Exercise Proposal in respect of all your Options.

### **Section 2**

If you wish to accept the Exercise Proposal, you must complete and sign section 2. You must sign in the presence of an independent witness (who should be over 18 and not a member of your immediate family), who must also sign in section 2 where indicated and complete the necessary details.