

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended to seek your own personal financial, tax and/or legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom, or, if not, from another appropriately authorised independent adviser in the relevant jurisdiction.

IMImobile PLC

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21 January 2021

This letter (**Letter**) should be read in conjunction with the scheme document circulated to shareholders of IMImobile PLC (**IMImobile**) dated 14 January 2021 (**Scheme Document**), a copy of which you should have already received. The Scheme Document (together with a copy of this Letter) can also be viewed on IMImobile's website at <https://investors.imimobile.com/regulatory-announcements/recommended-cash-offer>. Words and expressions defined in the Scheme Document have the same meaning in this Letter unless the context requires otherwise.

To: Holders of Option(s) (**Optionholders**) under the IMImobile PLC 2014 Unapproved Option Plan (**Unapproved Plan**)

Dear Optionholder

Recommended cash acquisition of IMImobile by Cisco Systems Holdings UK Limited (Bidco) to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006 (Scheme)

As you may know, on 7 December 2020 Bidco, a wholly-owned indirect subsidiary of Cisco Systems, Inc. (**Cisco**), and the Independent IMImobile Directors announced that they had agreed the terms of a recommended cash offer for the entire issued and to be issued ordinary share capital of IMImobile by Bidco (**Offer**). The Offer will require, among other things, the approval of IMImobile Shareholders and the sanction of the Scheme by the Court. You can find additional information regarding the Offer in the Scheme Document.

You are receiving this Letter as you hold option(s) granted under the Unapproved Plan (**Option(s)**). This Letter explains the effect of the Offer on your Option(s), the proposal being made to you by Bidco in relation to your Option(s) (**Proposal**), and sets out the courses of action available to you. In broad terms, the Proposal is that:

1. you exercise your Option(s), to the extent vested, to the fullest extent possible and participate in the Offer in respect of any IMImobile Shares that you acquire on exercise; and
2. in respect of any Option or part of an Option that does not vest as a result of the Scheme, Bidco will grant you a conditional entitlement to a cash payment which will vest on substantially the same terms as the unvested Option would have vested (**Cash Award**).

Further details of the Proposal are contained in paragraphs 8 to 12 below.

If you wish to exercise your Option(s) as set out in this Letter, you should complete and sign the enclosed Form of Instruction and return a copy of it by email to Carol O'Shea at

share.options@imimobile.com. Your Form of Instruction should be received as soon as possible and in any event by not later than 5pm on 10 February 2021.

The details of your Option(s) are set out in the statement enclosed with this Letter (the **Option Statement**).

The remainder of this Letter explains what you need to know about the Offer, the effect of the Offer on your Option(s) and the Proposal that is being made to you by Bidco in relation to your Option(s).

Introduction

1 Why am I being contacted now?

You are being contacted now because if the Offer proceeds, you will need to take certain actions in relation to your Option(s) prior to the date that the Scheme is sanctioned by the Court (a date which is to be confirmed but is expected to take place in the first quarter of 2021) (the **Sanction Date**).

2 Who are Cisco and Bidco?

Cisco is a global leader in networking with a wide array of technology solutions and services across networking, collaboration, security, communications and cloud applications. Cisco has been providing innovative solutions since 1984 and has a very successful track record of acquiring and integrating new companies and technologies to broaden its portfolio.

Cisco's products and technologies are grouped into the following categories: Infrastructure Platforms, Applications, Security and Other Products. In addition to Cisco's product offerings, it provides a broad range of service offerings, including technical support services and advanced services. Increasingly, Cisco is delivering its technologies through software and services.

Cisco currently operates in more than 115 countries and employs over 70,000 employees. In the fiscal year ended 25 July 2020, Cisco generated revenues of approximately USD49 billion and net income of approximately USD11 billion.

Bidco is a company incorporated under the laws of England and Wales and is an indirect wholly-owned subsidiary of Cisco. Bidco was incorporated on 2 July 2012. The principal activity of Bidco is the holding of investments in other companies in the Cisco Group.

The Offer

3 How does the Offer work?

The Offer is intended to be effected by means of a Court-sanctioned "scheme of arrangement" under Part 26 of the Companies Act 2006 (the **Scheme**). The purpose of the Scheme is to enable Bidco to become the owner of the entire issued and to be issued ordinary share capital of IMImobile.

The Scheme is expected to be approved by Scheme Shareholders at a court meeting being held on 4 February 2021 (**Court Meeting**) which will be followed by a general meeting of IMImobile Shareholders on the same day (**General Meeting**). However, the Scheme will only become effective if the Court sanctions the Scheme. The Court hearing to sanction the Scheme (**Sanction Hearing**) is expected to take place on a date in the first quarter of 2021, with the Scheme expected to become effective the day after the Sanction Hearing. This date is when the Offer completes (and is referred to in this Letter as the **Effective Date**). You will be notified

when the dates of the Sanction Hearing and Effective Date are known and if there are any changes in the timetable or process which affect you.

The Offer and the Scheme are described in more detail in the Scheme Document which you can view on the IMImobile website at <https://investors.imimobile.com/regulatory-announcements/recommended-cash-offer>. If you cannot view the Scheme Document please contact Carol O'Shea at IMImobile by email at share.options@imimobile.com. You should read this Letter in conjunction with the Scheme Document.

4 What are the terms of the Offer for shareholders of IMImobile?

Under the terms of the Offer, each Scheme Shareholder at the Scheme Record Time will be entitled to receive:

for each Scheme Share 595 pence in cash

(the Offer Price)

The terms of the Offer value the entire issued and to be issued ordinary share capital of IMImobile at approximately £543 million on a fully diluted basis. As described in more detail in the Scheme Document, the Offer Price represents a premium of approximately:

- 51.6 per cent. to the Closing Price of 393 pence for each IMImobile Share on 2 November 2020 (being the last Business Day before Cisco's first approach to IMImobile);
- 47.8 per cent. to the Closing Price of 403 pence for each IMImobile Share on 4 December 2020 (being the last Business Day before the Announcement Date); and
- 59.7 per cent. to the six-month volume weighted average price of 373 pence as at 4 December 2020 (being the last Business Day before the Announcement Date).

5 Will the Offer definitely go ahead?

The Offer is conditional on, among other things, (i) approval by Scheme Shareholders at the Court Meeting and the passing of the Resolution at the General Meeting to be held on 4 February 2021; and (ii) the sanction of the Court. Whilst it is expected that Scheme Shareholders will approve the Offer and the Court will sanction the Scheme, this cannot be guaranteed.

6 What if the Offer does not go ahead?

If the Offer does not go ahead, the Proposal in relation to your Option(s) will not apply and your Option(s) will continue unaffected.

Your Option(s)

7 What is an Option?

Each Option gives you the right to acquire a certain number of IMImobile Shares at an exercise price which was set at the time of grant. Details of the Option(s) you hold are set out in the Option Statement. Your Option(s) are subject to the rules of the Unapproved Plan and the terms set out in the option documentation provided to you when your Option(s) were granted.

The Proposal

As part of the Offer, Bidco has agreed to make the Proposal to Optionholders. The Proposal is described in paragraphs 8 to 12 below.

8 What is the effect of the Offer on my Option(s)?

Options that are currently vested

If you hold an Option that is currently vested and capable of exercise, such Option will remain exercisable until the Sanction Date, after which time it will lapse.

Options that are currently unvested

If you hold an Option that is not currently vested, the extent to which such Option will vest and become exercisable as a result of the Offer (if at all) depends on the terms set out in the option documentation provided to you when the Option was granted. Certain Options may be subject to accelerated vesting (in whole or in part) as a result of the Offer, whereas other Options will not vest early and will instead lapse to the extent not vested. The extent to which your unvested Option(s) will vest as a result of the Offer is set out in the Option Statement enclosed with this Letter. The Option Statement has been prepared on the assumption that the Sanction Date occurs prior to 28 February 2021.

If an Option vests as a result of the Offer (in whole or in part), it may only be exercised if a duly completed Form of Instruction is delivered prior to the Sanction Date (as further described in paragraph 10 below). An Option will lapse on the Effective Date to the extent not exercised.

Options that are subject to a lock-in period

If you hold an Option that is subject to a post vesting lock-in period, this will cease to apply as a result of the Offer.

Options due to partially vest on 31 March 2021

Certain Options are due to partially vest on 31 March 2021, but the Option Statement is based on the assumption that the Sanction Date will occur prior to 31 March 2021. If this applies to your Option, and for any reason the Sanction Date occurs on or after 31 March 2021, then you will be entitled to exercise that further vested part of your Option and your Form of Instruction will also have effect in relation to that further vested part of your Option.

9 What is the Cash Award being granted by Bidco?

To the extent that any Option does not vest as a result of the Offer, and therefore lapses in respect of a particular number of IMI Mobile Shares (**Unvested Shares**), Bidco has agreed to grant a replacement Cash Award. The Cash Award will give you a conditional entitlement to a cash payment, equal to the value (based on the Offer Price) of the Unvested Shares less the aggregate exercise price that would have been payable by you for such Unvested Shares on the exercise of the relevant Option (the **Cash Payment**).

A Cash Payment will be paid by, or at the direction of, Bidco within two payroll cycles of the same date or dates on which, and in the same proportions that, the relevant Option would otherwise have vested in accordance with its terms if the Scheme had not occurred, and will otherwise be subject to substantially the same terms as the relevant Option. In particular, the same cessation of employment provisions that were applicable to your Option will apply to the

Cash Award. If the vesting of the Option was subject to the satisfaction of performance conditions which can no longer be capable of measurement as a result of the Offer, alternative performance conditions will be determined by the IMImobile Remuneration Committee and Bidco.

Any Cash Payment will be subject to deductions for any applicable tax and social security contributions.

10 How do I exercise my Option(s) and participate in the Offer?

If you wish to exercise your Option(s) (either those that are currently vested or those that vest as a result of the Offer) to the fullest extent possible and participate in the Offer in respect of any IMImobile Shares acquired on exercise of your Option(s), you should complete, sign and submit the enclosed Form of Instruction. You must return your Form of Instruction by no later than 5.00pm on 10 February 2021. If you do so, the exercise of your Option(s) will take effect immediately prior to the sanction of the Scheme by the Court.

For each IMImobile Share sold pursuant to the Offer, you will be entitled to receive the Offer Price of 595 pence (the aggregate amount payable being the **Offer Proceeds**).

There may be certain tax consequences on the exercise of your Option(s), as mentioned in paragraph 18 below.

Payment of the Offer Proceeds will be made to you in cash within 14 days of the Effective Date (following the deduction of the aggregate exercise price and any applicable tax and social security contributions).

Any payment to you will be made in the same currency as you receive your regular salary. If your regular salary is not paid in GBP, the amount of the payment will be converted into the relevant currency using the applicable exchange rate on a date shortly prior to the date the payment is made.

11 Do I need to pay anything to exercise my Option(s)?

No, you will not need to make any upfront payments if you exercise your Option(s) using the Form of Instruction. You will be liable to pay the aggregate exercise price payable in respect of the IMImobile Shares you acquire by exercising your Option(s) and you may have a liability to tax and social security contributions as a result of the exercise of the Option(s) (see paragraph 18 below). However, if you accept the Proposal, both the aggregate exercise price and any tax and social security contributions (where applicable) will be deducted from your Offer Proceeds so that you will not need to fund these costs from your own resources.

12 How do I participate in the Cash Award?

You do not need to take action to participate in the Cash Award. You will receive further details of the terms and conditions applicable to the Cash Award following the Effective Date.

13 What happens if I do nothing?

If you choose to do nothing your Option(s) will cease to be exercisable on the Sanction Date and will then lapse on the Effective Date.

General

14 Can I give my Option(s) to someone else?

No, you cannot transfer your Option(s).

15 Will the Proposal affect my employment rights?

No, the Proposal will not affect your employment rights.

16 What if I leave or have left employment?

To benefit from the Proposal in relation to your Option(s) you must be either an employee of the IMImobile Group or a former employee who is entitled to retain their Option(s) under the rules of the Unapproved Plan. If you leave IMImobile before the Sanction Date, your Option may lapse under the rules of the Unapproved Plan and you would then not benefit from the Proposal. If you are a former employee who has retained an Option, under the rules of the Unapproved Plan the vesting treatment that was agreed or applied as a result of your leaving will continue to apply.

17 Can I exercise my Option(s) otherwise than pursuant to the Proposal?

If you hold Options that are currently vested and exercisable and you wish to exercise them at an earlier time than would be the case if you accepted the Proposal, you may do so by using the normal exercise procedures (subject to any applicable dealing restrictions). However, you should note that the normal exercise procedures will cease to be available one week prior to the Sanction Date, and you will be notified once this date is known.

Tax

18 What tax will I have to pay if I exercise my Option(s)?

You may have a liability to tax and/or social security in relation to the exercise of your Option(s) and the sale of any IMImobile Shares you acquire as a result. For participants based in the UK, a Tax Schedule is enclosed with this Letter which provides a summary of such tax and social security liabilities.

Before you decide what action you would like to take, you should consider your tax position. If you are in any doubt as to your tax position, you should seek your own independent professional tax advice immediately.

19 How will the tax be paid?

If you accept the Proposal, any tax and social security contributions that you are required to pay in relation to the exercise of your Option(s) may need to be withheld and paid to the relevant tax authorities by your employer in the IMImobile Group. If that is the case, any such tax and social security contributions will be deducted from the Offer Proceeds due to you.

Next Steps

20 What should I do now?

If you wish to exercise your Option(s) to the fullest extent possible in accordance with the Proposal you should complete and sign the enclosed Form of Instruction and return a copy of it by email to Carol O'Shea at share.options@imimobile.com (please note that neither this Letter

nor the Option Statement need to be returned). **Your Form of Instruction should be received as soon as possible and in any event by not later than 5.00pm on 10 February 2021.**

If you do not wish to exercise your Option(s), please contact Carol O'Shea as soon as possible by email at share.options@imimobile.com.

If you do not take any action, your Option(s) will lapse in due course.

21 Can I amend my choice after I have submitted my Form of Instruction?

No. Once submitted, the Form of Instruction is irrevocable.

22 Power of attorney

Under the power of attorney included within the Form of Instruction, you authorise IMImobile and/or Bidco to take certain actions on your behalf including signing any documents that are required to put into place the arrangements described as part of the Proposal.

23 What is the view of the Independent IMImobile Directors?

The Independent IMImobile Directors, who have been so advised by Investec as to the financial terms of the Proposal, consider the terms of the Proposal set out in this Letter to be fair and reasonable in the context of the Offer. In providing its advice to the Independent IMImobile Directors, Investec has taken into account the commercial assessments of the Independent IMImobile Directors.

The Independent IMImobile Directors recommend that you exercise your Option(s) to the fullest extent possible. You should consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising your Option(s).

24 Further queries

If you have any queries in relation to this Letter or how to complete the enclosed Form of Instruction please contact Carol O'Shea at IMImobile by email at share.options@imimobile.com. Please note that neither IMImobile nor your IMImobile Group employer will be able to provide you with any legal, financial, tax planning or investment advice or advice on the merits of any particular choice or on the Offer itself. **If you are in any doubt as to the action you should take, you should seek your own independent professional advice.**

Yours faithfully

Mike Jefferies

For and on behalf of IMImobile PLC

Alice White

For and on behalf of Cisco Systems Holdings (UK) Limited

Notes

- 1 The release, publication or distribution of this document and any accompanying documents (in whole or in part) in or into jurisdictions other than the United Kingdom may be restricted by law and/or regulations of those jurisdictions. Therefore, any persons who are subject to the laws and regulations of any jurisdiction other than the United Kingdom should inform themselves about, and observe, any applicable requirements or restrictions in their jurisdictions. Any failure to comply with the applicable requirements or restrictions may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. You should also refer to the Important Notices on page 4 of the Scheme Document. Nothing in this Letter or the Form of Instruction should be construed as legal, investment, financial or tax advice.
- 2 The IMImobile Directors, whose names are set out in paragraph 2.1 of Part VI to the Scheme Document, accept responsibility for the information contained in this Letter and the Form of Instruction (including any expressions of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 3, 4 and 5 below. To the best of the knowledge and belief of the IMImobile Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter and the Form of Instruction for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 3 The Independent IMImobile Directors accept responsibility for the information contained in this Letter and the Form of Instruction relating to their views and opinions on the Proposal (including for any opinion attributable to the Independent IMImobile Directors relating to the recommendation contain in paragraph 23 of the Letter). To the best of the knowledge and belief of the Independent IMImobile Directors (who have taken all reasonable care to ensure that such is the case) the information contained in the Letter and the Form of Instruction for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 4 The Cisco Responsible Persons, whose names are set out in paragraph 2.4 of Part VI to the Scheme Document, accept responsibility for the information contained in this Letter and the Form of Instruction (including any expressions of opinion) relating to Bidco, Cisco, the Wider Bidco Group, themselves and their respective close relatives, related trusts of and other connected persons and persons acting in concert (as such term is defined in the Code) with Bidco or Cisco. To the best of the knowledge and belief of the Cisco Responsible Persons (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter and the Form of Instruction for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information
- 5 The Bidco Directors, whose names are set out in paragraph 2.3 of Part VI of the Scheme Document, accept responsibility for the information contained in this Letter and the Form of Instruction (including any expressions of opinion) relating to Bidco, the Wider Bidco Group, the Bidco Directors and the close relatives, related trusts of and persons connected with the Bidco Directors and persons acting in concert (as such term is defined in the Code) with Bidco. 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 and the Form of Instruction for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

- 6 Investec, which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for IMImobile and no one else in relation to the Offer and/or other matters set out in this document and will not be responsible to anyone other than IMImobile for providing the protections afforded to clients of Investec, or for providing advice in relation to the Offer, the contents of this document or any other matter referred to therein. Neither Investec nor any of its subsidiaries, branches or 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 Investec in connection with the Offer or this document, any statement contained herein or otherwise.
- 7 Investec has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear.
- 8 Accidental omission to dispatch this Letter or the Form of Instruction to, or any failure to receive the same by, any person to whom the Proposal in this Letter is made or should be made will not invalidate the Proposal in any way.