

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

The City Pub Group plc

Essel House 2nd Floor
29 Foley Street
London
England
W1W 7TH

13 December 2023

*To the holders of jointly owned shares acquired under The City Pub Group plc Joint Share Ownership Plan (the **JSOP**)*

Dear Participant

Recommended acquisition of The City Pub Group plc (City Pubs) by Young & Co.'s Brewery, P.L.C. (Young's): How it affects your shares under the JSOP

Introduction

On 16 November 2023, the directors of Young's and City Pubs announced that they had reached agreement on the terms of a recommended offer pursuant to which Young's will acquire the entire issued and to be issued ordinary share capital of City Pubs (the **Transaction**).

This Letter tells you about the impact of the Transaction on your interest in City Pub Shares under the JSOP that are held jointly with the trustee of the City Pubs Employee Benefit Trust (**Trustee**) (referred to in this letter as **JSOP Shares**).

Please read everything in this Letter and its appendices carefully.

You will find a list of definitions in **Appendix A** which explain the key defined terms used in this Letter (any capitalised terms not included in Appendix A will have the meaning given to them in the Scheme Document).

Your JSOP Shares

The JSOP Shares are subject to a joint ownership agreement (**JOA**) entered into between City Pubs, you and the Trustee on 15 January 2018. Pursuant to the terms of the JOA, the JSOP Shares are beneficially owned jointly by you and the Trustee.

Pursuant to the terms of the JOA, there is threshold amount of £2.05 per City Pubs Share (**Threshold**), which needs to be exceeded before you can benefit from the value of the JSOP Shares. As the Threshold is significantly in excess of the value of the Consideration (based on the value of a Young's A Share as at the latest date practicable in advance of the date of this Letter), your interest in the JSOP Shares has no value (other than a nominal sum).

Under the terms of your JOA, your JSOP Shares will be sold to Young's pursuant to the Transaction, and the Trustee will pay you a nominal cash sum (in the majority of cases, this will be less than £5). This sum will be paid to you by your employer through payroll as soon as reasonably practicable after the Effective Date.

Please note that if you hold options or awards under any other City Pubs share plan (such as the CSOP or the LTIP), you will have received a separate letter which will set out the courses of action available

to you in relation to any such options. Please also read those letters carefully as the treatment will be different from the treatment of your JSOP Shares.

Questions

If you have any questions on the contents of this Letter, please contact [REDACTED]. However, please be aware that no legal, tax, financial or investment advice on the Transaction or its effect on your JSOP Shares can be provided by City Pubs. **If you are in any doubt as to the action you should take, you should seek your own independent professional advice.**

Yours faithfully

Clive Watson
Executive Chairman

For and on behalf of City Pub Group plc

TRANSACTION SUMMARY

1. How does the Transaction work?

The Transaction will result in City Pubs and its subsidiaries becoming wholly-owned subsidiaries of Young's.

The Transaction will be carried out through what is called a "scheme of arrangement". This is a procedure that has to be first approved by City Pubs Shareholders at a shareholder meeting, to be held on 17 January 2024, and then requires final approval by the Court on a date referred to in this Letter as the "Sanction Date". This is not the date on which the Transaction will be completed. The Transaction is currently due to complete **two business days after the Court Sanction Hearing when the Scheme becomes effective**. If you want to read more about this, please go to the City Pubs website at <https://www.citypubcompany.com/investors/> and the Young's website at <https://www.youngs.co.uk/investors> where you will find the Scheme Document that was sent to City Pubs Shareholders around the date of this Letter.

2. What can City Pubs Shareholders receive under the Transaction?

The terms of the Transaction are set out in full in the Scheme Document. However, in summary (and subject to the terms of the Transaction), for each City Pubs Share sold to Young's through the Scheme, a City Pubs Shareholder will receive 108.75 pence in cash and 0.032658 New Young's A Shares.

3. When will the Transaction take place?

The date of the Court Sanction Hearing is still to be confirmed but it is expected to be in the first quarter of 2024 with the Effective Date expected to be two business days after the Court Sanction Hearing, subject to City Pubs Shareholder approval and receipt of the relevant regulatory and merger control approvals. An expected timeline of key events relating to the Transaction is available in the Scheme Document.

Once the date of the Court Sanction Hearing is known, City Pubs will announce this via a Regulatory Information Service (with such announcement being made available on City Pubs' website at <https://www.citypubcompany.com/investors/>).

4. Will the Transaction definitely go ahead?

The Transaction is conditional on various approvals and consents including: (i) approval by City Pubs Shareholders at a meeting to be held on 17 January 2024; (ii) certain regulatory and merger control approvals; and (iii) the sanction of the Court. You should note that there is no certainty that City Pubs Shareholders will approve the Transaction and the Court will sanction the Scheme.

5. What if the Transaction does not go ahead?

If the Transaction does not complete, your JSOP Shares will continue to be held under the terms of your JOA.

Appendix A

Defined Terms

City Pubs	The City Pub Group plc, incorporated in England and Wales with registered number 07814568 and whose registered office is at Essel House 2nd Floor, 29 Foley Street, London, England, W1W 7TH;
City Pubs Shareholders	the holders of City Pubs Shares;
City Pubs Shares	the ordinary shares of 1 pence each in the capital of City Pubs;
Consideration	for each City Pubs Share held, 108.75 pence in cash and 0.032658 New Young's A Shares;
Court	the High Court of Justice in England and Wales;
Court Order	the order of the Court sanctioning the Scheme under section 899 of the Companies Act;
Court Sanction Hearing	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act;
CSOP	The City Pub Group plc Company Share Option Plan (formerly known as the City Pub (East) Plc Company Share Option Plan) and the City Pub (West) Plc Company Share Option Plan (each as amended from time to time);
Effective Date	the date upon which the Scheme becomes effective in accordance with its terms;
JOA	the joint ownership agreement entered into between City Pubs, the participant and the Trustee on 15 January 2018;
JSOP	The City Pub Group plc Joint Share Ownership Plan;
JSOP Consideration	a cash sum equal to 0.01% of the value of each JSOP Share;
JSOP Shares	the beneficial title to a certain number of shares acquired by the participant pursuant to the JSOP;
Letter	this letter from City Pubs explaining the impact of the Transaction on the JSOP Shares;

LTIP	The City Pub Group plc Long-Term Incentive Plan;
New Young's A Shares	the new Young's A Shares proposed to be issued pursuant to the Transaction;
Sanction Date	the date of the Court Order;
Scheme	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between City Pubs and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court (where relevant) and agreed to by City Pubs and Young's, as set out in Part IV (The Scheme of Arrangement) of the Scheme Document;
Scheme Document	the document dated on or around the date hereof sent by City Pubs to the City Pubs Shareholders, of which the Scheme forms part;
Trustee	Estera Trust (Jersey) Limited as trustee of The City Pub Group plc Employee Benefit Trust;
Young's	Young & Co.'s Brewery, P.L.C., incorporated in England and Wales with registered number 00032762 and whose registered office is at Copper House, 5 Garratt Lane, Wandsworth, London, SW18 4AQ; and
Young's A Shares	the A ordinary shares of 12.5 pence each in the capital of Young's.