

Young and Co.'s Brewery, P.L.C.

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FOR IMMEDIATE RELEASE

6 December 2023

Disclosure under Rule 2.10(c) of the City Code on Takeovers and Mergers (the "Code") in respect of the

**RECOMMENDED ACQUISITION
of
THE CITY PUB GROUP PLC
("City Pubs")**

**by
YOUNG & CO.'S BREWERY, P.L.C.
("Young's")**

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

Update on the irrevocable undertaking given by Otus Capital Management Limited

On 16 November 2023 the boards of City Pubs and Young's made an announcement pursuant to Rule 2.7 of the Code (the "**2.7 Announcement**") that they had reached agreement on the terms and conditions 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**"), intended to be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006.

Unless otherwise defined in this announcement, capitalised words and phrases used in this announcement shall have the same meanings given to them in the 2.7 Announcement.

As set out in Appendix 3 of the 2.7 Announcement, Young's had received certain irrevocable undertakings to amongst other things, exercise or procure the exercise of (as applicable) all voting rights to vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or to accept, or procure the acceptance of the Offer (if the Transaction is implemented as an Offer)).

The irrevocable undertaking given by Otus Capital Management Limited ("**Otus**") related to an aggregate number of 11,580,837 City Pubs Shares, representing approximately 11.1 per cent. of the issued ordinary share capital of City Pubs as at the Last Practicable Date (the "**Otus Irrevocable Undertaking**").

On 6 December 2023, Otus announced that they had sold 1,599,783 City Pubs Shares subject to the Otus Irrevocable Undertaking. As a result of the sale, the Otus Irrevocable Undertaking now applies in respect of the 9,981,054 City Pubs Shares held by Otus, representing approximately 9.54 per cent. of the issued ordinary share capital of City Pubs as at the close of business on 5 December 2023 (being the latest practicable date prior to the date of this announcement).

Therefore, the total number of City Pubs Shares which are subject to irrevocable undertakings and a letter of intent received by Young's in relation to City Pubs Shares is 32,307,858, representing approximately 30.9 per cent. of the issued ordinary share capital of City Pubs as at the close of business on 5 December 2023 (being the latest practicable date prior to the date of this announcement).

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Further information

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

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

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an 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 an appropriately authorised independent financial adviser.

Disclaimers

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), and which is authorised in the United Kingdom by the Prudential Regulation Authority (the "PRA") and regulated by the PRA and the Financial Conduct Authority, is acting as financial adviser exclusively for Young's and no one else in connection with the Transaction and will not be responsible to anyone other than Young's for providing the protections afforded to clients of J.P. Morgan Cazenove or for providing advice in relation to the Transaction or any other matters referred to in this announcement.

Stifel Nicolaus Europe Limited ("Stifel"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Young's and no one else in connection with

the matters referred to in this announcement and will not be responsible to anyone other than Young's for providing the protections afforded to clients of Stifel nor for providing advice in relation to the Transaction or any other matters referred to in this announcement. Neither Stifel nor any of its affiliates (nor their respective directors, officers, employees or agents) 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 Stifel in connection with this announcement, any statement contained in this announcement, the Transaction or otherwise. No representation or warranty, express or implied, is made by Stifel as to the contents of this announcement.

Overseas shareholders

The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Transaction disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Code, the Market Abuse Regulation and the AIM Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of the UK.

The availability of the Transaction to City Pubs Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the UK to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to execute and deliver Forms of Proxy appointing another person to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities law of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Transaction disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by Young's or required by the Code, and permitted by applicable law and regulation, the Transaction and the New Young's A Shares to be issued pursuant to the Transaction to City Pubs Shareholders will not be made available, in whole or in part, directly or indirectly in, into, or from a Restricted Jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction and no person may vote in favour of the Transaction by any such use, means, instrumentality, or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this announcement and any formal documentation relating to the Scheme and the Transaction are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Transaction. If the Transaction is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The availability of New Young's A Shares pursuant to the Transaction to City Pubs Shareholders who are not resident in the United Kingdom or the ability of those persons to hold such shares may be affected by the laws or regulatory requirements of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements. City Pubs Shareholders who are in any doubt about such

matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

Further details in relation to overseas shareholders will be included in the Scheme Document.

Additional information for US investors

The Transaction relates to the shares of an English company with a quotation on AIM and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the "U.S. Exchange Act"). Accordingly, the Transaction is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. Neither the United States Securities and Exchange Commission, nor any securities commission of any state of the United States, has approved or disapproved any offer, or passed comment upon the adequacy or completeness of any of the information included in this announcement. The financial information included in this announcement and the Scheme Document (or, if the Transaction is implemented by way of an Offer, the Offer Document) has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

If, in the future, Young's exercises its right, with the consent of the Panel (where necessary), to implement the Transaction by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.

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

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Young's, its nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Young's Shares outside of the U.S., other than pursuant to the Transaction, until the date on which the Transaction becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the US Securities Exchange Act of 1934, each of J.P. Morgan Cazenove and Stifel will continue to act as an exempt trader in City Pubs Shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices and comply with applicable law, including the U.S. Exchange Act. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at www.londonstockexchange.com.

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

Dealing and Opening Position Disclosure requirements

Under Rule 8.3(a) of the Code, any person who is interested in one (1) per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Code applies must be made by no later than 3.30 p.m. (London time) on the tenth (10th) Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. (London time) on the tenth (10th) Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

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

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

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

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

In accordance with Rule 26.1 of the Code, a copy of this announcement and the documents required to be published under Rule 26 of the Code, will be made available free of charge (subject to certain restrictions relating to persons resident in Restricted Jurisdictions) on Young's website at <https://www.youngs.co.uk/investors> by no later than 12 noon (London time) on the Business Day following this announcement. The content of any website referred to in this announcement is not incorporated into and does not form part of this announcement.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.