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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**29 FEBRUARY 2024**

**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 Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006)

**Court sanction of the Scheme**

**Introduction**

On 16 November 2023, the boards 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 share capital of City Pubs (the “**Transaction**”). The Transaction is to be implemented by means of a Court sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the “**Scheme**”). A scheme document in relation to the Transaction was published by City Pubs on 13 December 2023 (“**Scheme Document**”).

Further to the announcement of 17 January 2024, City Pubs is pleased to announce that the Court has today issued a Court Order sanctioning the Scheme. The Scheme will become Effective upon the delivery of a copy of the Court Order to the Registrar of Companies for registration, which is expected to occur on 4 March 2024.

Capitalised terms in this announcement, unless otherwise defined, have the same meaning as set out in the Scheme Document.

**Next steps**

City Pubs confirms that the Scheme Record Time will be 6.00 p.m. on 1 March 2024.

A request has been made for the suspension of dealings in City Pubs Shares on AIM with effect from 7.30 a.m. on 4 March 2024. The last day of dealing in City Pubs Shares will therefore be 1 March 2024, and once suspended, it is not expected that trading in City Pubs Shares will recommence.

It is expected that, subject to the Scheme becoming Effective on 4 March 2024, the cancellation of the admission to trading of City Pubs Shares on AIM will become effective from 7.00 a.m. on 5 March 2024.

A further announcement will be made when the Scheme has become Effective.

All times shown are London times. If any of the expected times and/or dates above change, the revised times and/or dates will be notified to City Pubs Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on City Pubs' website at <https://www.citypubcompany.com/investors/> and on Young's website at <https://www.youngs.co.uk/investors>.

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Addleshaw Goddard LLP are acting as legal adviser to City Pubs in connection with the Transaction.

Houlihan Lokey and Liberum are each providing independent advice to City Pubs pursuant to Rule 3 of the Code.

**Notices relating to financial advisers**

*Houlihan Lokey UK Limited ("**Houlihan Lokey**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to City Pubs and no one else in connection with the Transaction and will not be responsible to anyone other than City Pubs for providing the protections afforded to clients of Houlihan Lokey or for providing advice in relation to the Transaction or any other matters referred to in this announcement. Neither Houlihan Lokey 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 Houlihan Lokey in connection with this announcement, any statement contained herein or otherwise.*

*Liberum Capital Limited ("**Liberum**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively to City Pubs and no one else in connection with the Transaction and will not be responsible to anyone other than City Pubs for providing the protections afforded to clients of Liberum or for providing advice in relation to the Transaction or any other matters referred to in this announcement. Neither Liberum 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 in connection with this announcement, any statement contained herein or otherwise.*

Panmure Gordon (UK) Limited ("**Panmure Gordon**"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for City Pubs and no one else in connection with the Transaction and will not be responsible to anyone other than City Pubs for providing the protections afforded to clients of Panmure Gordon nor for providing advice in relation to any other matters referred to in this announcement. Neither Panmure Gordon 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 Panmure Gordon in connection with this announcement, any statement contained herein or otherwise.

### **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 this announcement or the Scheme Document 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, the Scheme Document and any other 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 are 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 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 Scheme 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, Stifel, Houlihan Lokey, Liberum and Panmure Gordon 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](http://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.

### **Forward-Looking Statements**

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Transaction, and other information published by Young’s and City Pubs, contains statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Young’s and City Pubs (as applicable) about future

events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Transaction on Young's and City Pubs (including their future prospects, developments and strategies), the expected timing and scope of the Transaction and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "cost-saving", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Young's, City Pubs, any member of the Young's Group's or any member of the City Pubs Group's operations and potential synergies resulting from the Transaction; and (iii) the effects of global economic conditions and governmental regulation on Young's, City Pubs, any member of the Young's Group's or any member of the City Pubs Group's business.

Although Young's and City Pubs believe that the expectations reflected in such forward-looking statements are reasonable, Young's and City Pubs can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. Neither Young's nor City Pubs assumes any obligation to update or correct the information contained in this announcement (whether as a result of new information, future events or otherwise) except as required by applicable law.

The factors that could cause actual results to differ materially from those described in the forward-looking statements include, but are not limited to: the ability to complete the Transaction; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; and changes in the anticipated benefits from the proposed transaction not being realised as a result of: changes in general economic and market conditions in the countries in which Young's and City Pubs operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Young's and City Pubs operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Young's nor City Pubs, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

Other than in accordance with their legal or regulatory obligations, neither Young's nor City Pubs is under any obligation, and Young's and City Pubs expressly disclaim any intention or obligation, to

update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

### **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 Takeover Code applies must be made by no later than 3.30 p.m. (London time) on the tenth (10<sup>th</sup>) 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 (10<sup>th</sup>) 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 Takeover 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 Takeover Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Takeover 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 Takeover 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](http://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 Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code, will be made available free of charge (subject to certain restrictions relating to persons resident in Restricted Jurisdictions) on City Pubs' website at <https://www.citypubcompany.com/investors/> and 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.

### **No profit forecasts, profit estimates or quantified benefits statements**

No statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for City Pubs or for Young's for the current or future financial years

would necessarily match or exceed the historical published earnings or earnings per share for City Pubs or for Young's.

### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, City Pubs Shareholders, persons with information rights and City Pubs Share Plan Participants may request a hard copy of this announcement or the Scheme Document (and any information incorporated by reference in this announcement) by contacting the registrar of City Pubs, Equiniti, between 8.30 a.m. and 5.30 p.m. Monday to Friday (except public holidays in England and Wales) on +44 (0) 371 384 2050 (if calling from outside of the UK, please ensure the country code is used). Equiniti cannot provide advice on the merits of the Transaction or give any financial, legal or tax advice. Calls to Equiniti from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes.*

*Alternatively, a request in writing may be submitted to Equiniti at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA.*

### **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.*