

ENNISMORE FUND MANAGEMENT

NON-BINDING LETTER OF INTENT

To Land Securities Group PLC (the “**Parent**”)

AND

LS Development Holdings Limited (the “**Offeror**”)

29th October 2021

Offer for U and I Group PLC (the “**Company**”)

Dear Sir, Madam

We, the undersigned, understand that the Offeror, an indirect, wholly-owned subsidiary of the Parent, is considering the Acquisition substantially on the terms and conditions set out or referred to in a draft announcement announcing the Acquisition to be issued by the Offeror pursuant to Rule 2.7 of the City Code on Takeovers and Mergers (the “**Code**”) (the “**Announcement**”), together with such other terms and conditions as may be required by the Code and/or the requirements of the Financial Conduct Authority (in exercising its primary markets function) (the “**FCA**”) and London Stock Exchange plc (the “**London Stock Exchange**”) or any other relevant securities exchange and/or as are customarily included in offers made under the Code.

All references in this letter to the “**Acquisition**” shall:

- (A) mean the proposed acquisition by the Offeror of the entire issued and to be issued ordinary share capital in the Company, which acquisition may be by way of takeover offer (within the meaning of section 974 of the Companies Act 2006) (referred to in this letter as the “**Offer**”) or a scheme of arrangement (under Part 26 of the Companies Act 2006) (referred to in this letter as the “**Scheme**”); and
- (B) include any extended, increased or revised offer by the Offeror for any acquisition as referred to in paragraph (A) above, the terms of which are at least as favourable to shareholders of the Company as the terms set out in the Announcement.

1. We confirm, as of the date hereof, that:

- (i) we are able to control the exercise of all rights attaching to, including voting rights and the ability to procure the transfer of, the number of ordinary shares of 50 pence each in the capital of the Company set out below (the “**Shares**”, which expression shall include any other shares in the Company issued after the date hereof and attributable to or derived from such shares) which are subject to this letter;

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- (ii) we are able to transfer the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third party rights and interests of any nature;
 - (iii) none of the Shares are subject to any contract, assignment, charge, option or other disposition or restriction whatsoever; and
 - (iv) we have full power and authority to execute this letter and perform our obligations under it in accordance with its terms.
2. We confirm that it is our current intention:
- (i) in the event the Acquisition is implemented by way of a scheme of arrangement, to validly cast (and not to revoke or withdraw), or procure that there be validly cast (and not revoked or withdrawn), in person or by proxy (in accordance with the instructions set out in the circular to be sent to shareholders of the Company containing an explanatory statement in respect of the Scheme (the “**Scheme Document**”)) all votes attaching to the Shares and to any other relevant securities of the Company or any interest therein that from time to time we hold or are otherwise able to control the exercise of the rights attaching thereto (the “**Further Interests**”) at (i) any general meeting of the Company (or any adjournment thereof) (“**General Meeting**”); and (ii) at any meeting of holders of shares in the Company convened by a Court (including any adjournment thereof) (“**Court Meeting**”) in favour of the resolutions proposed in connection with or required to approve and give effect to the Scheme; and
 - (ii) in the event that the Acquisition is implemented by way of takeover offer, to complete, execute and deliver (or to procure that this be done) a fully executed form (or forms) of acceptance in respect of the Offer in the case of certificated shares, or to accept electronically in the case of uncertificated shares, (in either case, in accordance with the terms of the Offer) in respect of the Shares and the Further Interests.
3. We confirm that it is our current intention not to (or incur any obligation to or indicate any intent to) sell or otherwise dispose (whether conditionally or unconditionally) of any of the Shares, Further Interests or any interests therein other than in connection with the Acquisition.
4. We understand that, if the Acquisition proceeds, this letter will be made available for inspection during the offer period (as defined in the Code) and that particulars of it will be contained in the Scheme Document or the formal document containing the Offer (as the case may be). We shall promptly provide you with all such further information in relation to our interest and that of any person connected with us as you may require in order to comply with the rules and requirements of the FCA, the London Stock Exchange, the Panel on Takeovers and Mergers (the “**Panel**”) and the Companies Act 2006 and any other legal or regulatory requirements for inclusion in the Scheme Document or the formal document containing the Offer (as the case may be) (or any other document required in connection with the Acquisition).

Ennismore Fund Management Limited

Kensington Cloisters · 5 Kensington Church Street · London W8 4LDFML

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5. We consent to the issue of an announcement (or announcements) incorporating references to us and to this letter, including in the Announcement, and to the inclusion of the particulars of this letter in the Scheme Document (or the formal document containing the Offer), together with any information provided in accordance with paragraph 4.
6. The intentions set out in this letter extend to any revision or variation in the terms of the Acquisition which, in the reasonable opinion of the Offeror's financial advisers, is at least as favourable to shareholders of the Company as set out in the Announcement.
7. For the avoidance of doubt, neither this letter nor any statements of intent set out herein are legally binding or constitute an irrevocable undertaking. Should we change our intent we will promptly notify you and the Panel of the up-to-date position as regards Rule 2.10 of the Code. We also acknowledge that under Rule 2.10 of the Code we may be obliged to promptly announce an update of the position together with all relevant details should we no longer intend to comply with the terms of this letter.
8. This letter and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the law of England and Wales and the English courts will have exclusive jurisdiction to settle any dispute arising from, or in connection with, this letter.

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Ordinary Shares

Registered holder: Northern Trust

Beneficial owner: Ennismore European Smaller Companies Fund

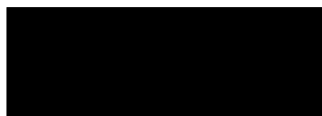
Number of shares: 6,710,866

Registered holder: Goldman Sachs

Beneficial owner: Ennismore European Smaller Companies Master Hedge Fund

Number of shares: 1,102,101

Yours faithfully,



Conor Claxton

Chief Operating Officer

for and on behalf of

Ennismore Fund Management Limited

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