

TO: Wellness Unity Limited ("**CK Bidco**")

7th Floor,
Cheung Kong Center,
2 Queen's Road Central,
Hong Kong

CK Asset Holdings Limited ("**CKA**")

7th Floor,
Cheung Kong Center,
2 Queen's Road Central,
Hong Kong

and

Civitas Social Housing PLC ("**Civitas**")

6th Floor,
65 Gresham Street,
London, EC2V 7NQ
United Kingdom

9 May 2023

Dear Sir/Madam

Proposed acquisition of Civitas by CK Bidco

1. **ACQUISITION**

In this undertaking (the "**Undertaking**"), the "**Acquisition**" means the proposed acquisition by or on behalf of CK Bidco of all the issued and to be issued ordinary share capital of Civitas, to be implemented by way of a takeover offer (as such term is defined in section 974 of the Companies Act 2006) (the "**Offer**") substantially on the terms and conditions set out in the draft press announcement provided to us (subject to the inclusion of any alternative or additional terms and conditions as may be required to comply with the requirements of the Panel on Takeovers and Mergers (the "**Panel**"), any applicable law or regulation, or as agreed between CK Bidco and Civitas) and which is proposed to be made under Rule 2.7 of the Takeover Code (the "**2.7 Announcement**").

2. **CONDITION OF UNDERTAKING**

The terms of this Undertaking are conditional on the 2.7 Announcement being released not later than 11:59 p.m. on the date of this Undertaking (or such later date as Civitas and CK Bidco may agree).

3. **CONSIDERATION**

This Undertaking is given in consideration of CK Bidco agreeing (subject to paragraph 10 below) to proceed with the Acquisition.

4. **OWNERSHIP OF SHARES**

We hereby irrevocably and unconditionally undertake, represent and warrant to CK Bidco and Civitas that:

- 4.1 we are, the holder of beneficial interests in the number of ordinary shares of £0.01 each in the capital of Civitas ("**Civitas Shares**") specified in Part 1 of Schedule 1 (the "**Existing Civitas Shares**");
- 4.1 save as set out in Schedule 1 we are not interested in any other securities of Civitas and we do not have any rights to subscribe, purchase or otherwise acquire any securities of Civitas; and
- 4.2 we have full power and authority and the right (free from any legal or other restrictions), and will at all times continue to have all relevant power and authority and the right, to enter into this Undertaking, to perform the obligations in this Undertaking in accordance with its terms, to accept (or procure the acceptance of) the Offer in respect of, to exercise (or procure the exercise of) all voting rights attaching to, and to transfer, the Existing Civitas Shares.

5. **DEALINGS AND UNDERTAKINGS**

We hereby irrevocably undertake to CK Bidco and Civitas that (other than in connection with the Acquisition) before this Undertaking lapses in accordance with paragraph 11.1 below, we shall not (and shall procure that the registered holder shall not):

- 5.1 sell, transfer, charge, encumber, create or grant any option or lien over or otherwise dispose of (or permit any such action to occur in respect of) any interest in the Existing Civitas Shares or any other shares in Civitas issued or unconditionally allotted to, or otherwise acquired by, us or any shares in the capital of Civitas in respect of which we become the registered holder or beneficial owner, before then ("**Further Civitas Shares**"), or any other shares or interests in shares attributable to or deriving from such shares (together with Existing Civitas Shares and Further Civitas Shares, the "**Shares**");
- 5.2 exercise any voting rights attaching to the Shares to vote in favour of any resolution to approve an acquisition or any other transaction which is proposed by any person other than CK Bidco or which would otherwise hinder or impede the implementation of the Offer or our ability to comply with this Undertaking;
- 5.3 accept, vote in favour, or give any undertaking (whether conditional or unconditional) to accept or vote in favour of any offer made or proposed to be implemented by way of a contractual offer, scheme of arrangement or otherwise in respect of the Shares or other securities in Civitas by any person other than CK Bidco; or
- 5.4 enter into any agreement or arrangement, incur any obligation or give any indication of intent (or knowingly permit such circumstances to occur):

- 5.4.1 to do all or any of the acts referred to in paragraphs 5.1 to 5.3 above; or
- 5.4.2 in relation to, or operating by reference to, the Shares, which would restrict or impede the implementation of the Offer' or our ability to comply with this Undertaking,

and, for the avoidance of doubt, references in this paragraph 5.4 to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not legally binding or subject to any condition, or which is to take effect upon or following the lapsing or withdrawal of the Offer, or upon or following this Undertaking ceasing to be binding, or upon or following any other event.

6. ACCEPTANCE OF THE OFFER

- 6.1 We hereby irrevocably undertake to accept or, where applicable, procure the irrevocable acceptance of, the Offer in accordance with its terms in respect of the Shares.
- 6.2 Our acceptance in respect of the Shares shall be made by 1:00 p.m. on the tenth business day after the formal document containing the Offer (the "**Offer Document**") is sent to the Caritas shareholders (or by 1:00 p.m. on the date which is the fifth business day after acquiring an interest in such Shares, if later) in accordance with the procedure for acceptance set out in the Offer Document.
- 6.3 We irrevocably undertake that CK Bidco and Sister Bidcos (as defined in the 2.7 Announcement) will acquire the Shares pursuant to the Acquisition which provides for the transfer of the Shares to CK Bidco and Sister Bidcos, with full title guarantee fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights now or hereafter attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid after the date on which the Offer becomes or is declared unconditional (other than as set out in the 2.7 Announcement).

7. NO WITHDRAWAL OF ACCEPTANCE

Even if the terms of the Offer give accepting shareholders the right to withdraw acceptances, we shall not withdraw our acceptance in respect of the Shares, or, where applicable, we shall procure that any acceptance in respect of the Shares is not withdrawn.

8. VOTING RIGHTS AND PREJUDICIAL ACTION

We hereby irrevocably undertake to CK Bidco and Civitas that:

- 8.1 we shall exercise (or procure the exercise of) the voting rights attached to the Shares on any resolution which would assist implementation of the Acquisition if it were passed or rejected at a general, class or other meeting of Civitas shareholders (a "**Resolution**") only in accordance with CK Bidco's directions;
- 8.2 we shall exercise (or procure the exercise of) all rights attaching to the Shares to requisition or join in the requisition of any general or class meeting of Civitas

shareholders for the purpose of considering any such Resolution and require Civitas to give notice of such Resolution only in accordance with CK Bidco's directions;

- 8.3 we shall exercise (or procure the exercise of) the voting rights attached to the Shares against any resolution which (i) might prevent or delay implementation of the Acquisition; or (ii) purports to approve or give effect to (and we will not agree to be bound by) a proposal by a person other than CK Bidco, to acquire (or have issued to it) any Civitas Shares (whether by way of scheme of arrangement or otherwise) or any assets of Civitas; and
- 8.4 for the purposes of this paragraph 8, we shall execute (or procure the execution of) any form of proxy required by CK Bidco appointing any person nominated by CK Bidco to attend and vote at the relevant meeting (or any adjournment thereof).

9. **CONSENTS**

We agree to:

- 9.1 promptly inform you of all information in relation to the Shares, as you may reasonably request in order to comply with the requirements of the Takeover Code, the Panel, or of other applicable law or regulation and immediately notify you in writing of any material change in the accuracy or import of any such information and consent to the public disclosure of such information;
- 9.2 the issue of the 2.7 Announcement with the references to us and to particulars of this Undertaking;
- 9.3 particulars of this Undertaking being set out in any other announcement or document issued in connection with the Acquisition and in the Offer Document; and
- 9.4 this Undertaking being available for inspection until the end of the Offer in accordance with Rule 26.2 of the Takeover Code and as required by applicable laws and regulations.

10. **ANNOUNCING AND MAKING THE OFFER**

We acknowledge that the release of the 2.7 Announcement is at CK Bidco's absolute discretion. For the avoidance of doubt, nothing in this Undertaking shall oblige CK Bidco to announce or make the Offer or proceed with the Acquisition.

11. **LAPSE OF UNDERTAKING**

- 11.1 All of our obligations pursuant to this Undertaking will lapse and cease to have effect on the earlier of the following occurrences:
- 11.1.1 the 2.7 Announcement is not released by 11:59 p.m. (London time) on the date of this Undertaking (or such later time and date as Civitas and CK Bidco may agree);
- 11.1.2 a third party announces through a Regulatory Information Service a firm intention to make a general cash offer in accordance with the Takeover Code (which is not subject to any pre-conditions) to acquire the entire issued and to

be issued share capital of Civitas on terms which represent an improvement of more than 10 per cent. on the value of the consideration under the Acquisition (a "**Third Party Offer**");

- 11.1.3 CK Bidco announces, with the consent of the Panel, and before the Offer Document is published, that it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**") or otherwise and no new, revised or replacement Offer is announced at such time by CK Bidco in accordance with Rule 2.7 of the Takeover Code;
 - 11.1.4 the Offer lapses or is withdrawn in accordance with its terms and CK Bidco publicly confirms that it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a Scheme or otherwise and no new, revised or replacement Offer is announced by CK Bidco in accordance with Rule 2.7 of the Takeover Code; or
 - 11.1.5 the Offer has not become or been declared unconditional by 11.59 p.m. on the Long Stop Date (as defined in the 2.7 Announcement).
- 11.2 If our obligations in this Undertaking lapse, we shall have no claim against CK Bidco, CKA or Civitas and none of CK Bidco, CKA or Civitas shall have any claim against me, other than in respect of any prior breach of any of the terms of this Undertaking.

12. **OFFER OR SCHEME OF ARRANGEMENT**

- 12.1 We note that CK Bidco reserves the right to implement the Acquisition by way of a Scheme. In the event that it is so implemented, we confirm and agree that this Undertaking shall continue to be binding mutatis mutandis in respect of the Shares and all references to the Offer shall, where the context permits, be read as references to the Scheme (or to both the Offer and the Scheme, as appropriate). Notwithstanding the generality of the foregoing, references in this Undertaking:
- 12.1.1 to the Offer becoming or being declared unconditional shall be read as references to the Scheme becoming effective; and references to the lapsing or withdrawal of the Offer shall be read as references to the Scheme lapsing or being withdrawn;
 - 12.1.2 to the Offer Document shall be read as references to the formal circular setting out the terms and conditions of the Scheme (the "**Scheme Document**");
 - 12.1.3 to us accepting the Offer shall be read as references to us:
 - (a) attending and voting in person or through a corporate representative; or
 - (b) validly appointing a proxy to attend and vote, by completing, executing and returning (or procuring such action) all relevant forms of proxy which shall accompany the Scheme Document (in accordance with the instructions printed on such forms of proxy) or by submitting (or procuring the submission of) electronic proxy, as soon as possible and in any event by 1:00 p.m. on the third business day before the deadline

to lodge proxy forms for such meetings (as set out in the Scheme Document),

in favour of any resolutions proposed at a class, general or court meeting (or any adjournment thereof) to implement the Scheme.

12.2 We undertake not to (and shall procure that the registered holder does not) revoke or amend any form of proxy submitted in accordance with paragraph 12.1.3(b), either in writing or by attendance at any class, general or court meeting of Civitas to be convened and held in connection with the Scheme (or any adjournment thereof) or otherwise.

12.3 We further undertake, if so required by CK Bidco, to execute (or procure the execution of) all such other documents or do (or procure the doing of) such other acts as may be necessary or desirable for the purpose of giving CK Bidco the full benefit of our undertakings.

13. **OTHER**

13.1 Any time, date or period referred to in this Undertaking may be extended by mutual agreement between CK Bidco and Civitas but as regards any time, date and period originally fixed or as extended, time shall be of the essence.

13.2 We agree that damages would not be an adequate remedy for breach of this Undertaking and, accordingly, CK Bidco, CKA and Civitas shall be entitled to the remedies of specific performance, injunction or other equitable remedies.

13.3 The ejusdem generis principle of construction shall not apply to this Undertaking. Any phrase introduced by the terms "other", "including", "include" and "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following or preceding those terms.

13.4 In this Undertaking, references to:

13.4.1 "**Acquisition**" shall include any increased or revised acquisition proposal made by or on behalf of CK Bidco howsoever implemented;

13.4.2 "**business day**", "**dealing**" and "**offer period**" shall be interpreted in accordance with the Takeover Code as from time to time amended and interpreted by the Panel;

13.4.3 being "**interested in**" or having "**interests in**" shares or securities shall be construed in accordance with the Takeover Code as from time to time amended and interpreted by the Panel and Part 22 of the Companies Act 2006;

13.4.4 "**Offer**" shall include any increased or revised proposal made by or on behalf of CK Bidco, implemented by way of a contractual takeover offer;

13.4.5 "**relevant securities**" shall be construed in accordance with the Takeover Code as from time to time amended and interpreted by the Panel;

13.4.6 "**Scheme**" shall include any increased or revised proposal made by or on behalf of CK Bidco, implemented by way of a scheme arrangement under Part 26 of the Companies Act 2006; and

13.4.7 "**Takeover Code**" means the City Code on Takeovers and Mergers as amended from time to time.

14. **GOVERNING LAW AND JURISDICTION**

14.1 This Undertaking and all non-contractual obligations arising from or in connection with this Undertaking are governed by and construed in accordance with English law. We submit to the exclusive jurisdiction of the English courts to decide any dispute arising from or connected with this Undertaking (a "**Dispute**") (including a dispute regarding the existence, validity or termination of this Undertaking or relating to any non-contractual or other obligation arising out of or in connection with this Undertaking or its formation). We agree that the English courts are the most appropriate and convenient courts to decide any Dispute and accordingly, will not argue to the contrary.

SCHEDULE 1**PART 1****Existing Civitas Shares**

1	2	3
No. of ordinary shares of £0.01 each in Civitas	Exact name(s) of registered holder as appearing on the register of members#	Beneficial owner#
167,664	Rock (Nominees) Limited	Civitas Investment Management Limited

Where more than one, indicate number of shares attributable to each.

We understand and confirm that:

- (i) this Undertaking is legally binding;
- (ii) subject to the terms of this Undertaking, we will not be able to withdraw from the commitment in this Undertaking, nor will we be able to deal in any of the Shares, or accept any other offer for the Shares; and
- (iii) until the 2.7 Announcement is released, the fact that the Acquisition is under consideration and the terms and conditions of the Acquisition constitute inside information and we shall keep such information secret. Disclosure of such information or any dealing in securities of Civitas, could constitute a criminal offence under the insider dealing provisions of the Criminal Justice Act 1993 and/or behaviour amounting to market abuse under the Market Abuse Regulation (EU) No. 596/2014 (as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended) liable to sanction by the Financial Conduct Authority, for example, the imposition of financial penalties. The obligations in this paragraph shall survive termination of this Undertaking.

Dated: 9 May 2023

EXECUTED BY

Thomas Pridmore

acting for and on behalf of

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**CIVITAS INVESTMENT
MANAGEMENT LIMITED**

We acknowledge and confirm our agreement to the terms above.

EXECUTED BY

Yue Seng Chiu

acting for and on behalf of

WELLNESS UNITY LIMITED)

Date: 9 May 2023

EXECUTED BY

Pau Yee Wan, Ezra

Eirene Yeung

acting for and on behalf of **CK ASSET HOLDINGS LIMITED)**

Date: 9 May 2023

EXECUTED BY

Michael Wrobel

acting for and on behalf of
CIVITAS SOCIAL HOUSING PLC

Date: 9 May 2023

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