

Huntress (CI) Nominees Limited
on behalf of Lecram Holdings Ltd
8 November 2022

Dear Fellow Shareholder,

PURPLEBRICKS GROUP PLC (PURPLEBRICKS OR THE “COMPANY”)

Under the Companies Act 2006, members who hold at least 5% of the paid-up share capital of a company can require a company to call a general meeting of shareholders to consider and vote on resolutions put to them in that meeting.

The purpose of this letter is to inform you that my company, Lecram Holdings Ltd, which beneficially owns at least 5% of the paid-up share capital of Purplebricks Group PLC (the "Company" or "Purplebricks"), has now (through its nominee, Huntress (CI) Nominees Limited) required the Company to call a general meeting. The purpose of this meeting is to put before all shareholders two resolutions. This letter sets out the reasons for this action. I am, here, seeking your support and urging you to vote **FOR** these resolutions.

THE RESOLUTIONS

The two resolutions which are being laid before you seek to remove Paul Pindar from the Company's Board and appoint, as a director, Harry Douglas Hill, the former Chairman of both Countrywide and Rightmove. These resolutions are set out in full in the notice of the meeting. Should Harry Hill be duly appointed as a director of the Company, I would strongly urge the Board to appoint him as Chairman of Purplebricks.

THREE REASONS FOR THIS ACTION

Value Destruction

The performance of the Company under the current Chairman, Paul Pindar, has been disastrous, particularly in terms of value for shareholders. This underperformance is a result of a series of poor business decisions.

The Company's share price, currently at an all-time low of 11p, has fallen by some 89% since its stock market flotation in 2015 and by 99.5% from its all-time high of 498p in 2017.

In the last eighteen months alone, some £290m has been wiped off its market value, which now stands at just £35m.

The catastrophic decline in share price is made all the worse given that it has largely taken place during a buoyant residential property market. Purplebricks is fundamentally a good business but is currently facing challenging market conditions and economic headwinds.

Cash Burn

Since its flotation, the Company has raised over £200 million of equity capital of which approximately £40 million remains. The Company continues to lose money and its cash resources are dwindling.

Purplebricks needs a change of Chairman

The Company has had no less than four CEOs, five CFOs and many changes in other senior executives but there has been one constant – the Chairman – who has held the post since 2014.

I believe strongly that a new Chairman is required now to restore the Company's credibility with all its stakeholders and to support its executive management team through the challenges which they will face in the medium term.

Over the past few months, I have been in contact with Mr Pindar to voice my concerns about governance and the state of the business and to ask him to be accountable for these multiple failures.

Paul Pindar has thus far chosen to dismiss these concerns by remaining in post and has, therefore, prompted me to call a general meeting and put the matter before all shareholders. I regret the short-term disruption that this may cause and, rest assured, have engaged extensively with Mr Pindar in order to avoid this course of action. We have also been encouraged by other frustrated shareholders over this period.

We are therefore now proposing his removal as a director.

PROPOSED NEW NON-EXECUTIVE DIRECTOR

We have taken it upon ourselves to source and propose an excellent candidate who has the right combination of experience and enthusiasm with which to face the challenges that lie ahead and it is my opinion that this Company will be successful under new leadership.

Harry Hill is an extremely experienced director within the estate agency/property sector and has an excellent and relevant track record of performance.

Considered by many as the original prop-tech pioneer, during his 20-year tenure as CEO of Countrywide Harry built the company into the UK's largest group of estate agents offering integrated property services, eventually selling the business to US private equity firm Apollo for £1bn in 2007. In 2000, whilst at the helm of Countrywide, he led the formation of Rightmove and served as its Chairman until 2008.

Since then Mr Hill has held numerous non-executive directorships and Chairman roles at several public and private companies, including Learning Technologies Group, Hunters plc and Lavanda.

Mr Hill is independent of Lecram Holdings Limited and myself, Adam Smith.

I believe that Harry Hill would make an exceptional contribution to the Board and that he will provide much-needed credibility, leadership and support to Purplebricks's executive management team.

I think that shareholders will agree that it is evident from his very strong background in three crucial areas, that Harry Hill's qualifications for the job are exemplary:

1. Management of estate agency businesses and within the online/tech based environment
2. Service as a director and chairman of Stock Exchange listed companies.
3. Managing recovery and turnarounds.

I am therefore proposing that Harry Hill be appointed to the Board of the Purplebricks Group PLC and that the Board be urged to appoint him as Chairman.

CONCLUSION

Purplebricks continues to be unprofitable and faces significant headwinds in the economy and its marketplace. The Company has dwindling cash resources available to execute a turnaround and establish a profitable and sustainable business. A track record of multiple failures and poor governance demands that a change of Chairman is required **NOW** in order to create value for all shareholders.

I therefore urge you in the strongest terms to vote FOR both resolutions – one to remove Paul Pindar as a director and the other to appoint Harry Hill as a director.

Visit www.lecramholdings.com if you require any further information on how to exercise your vote in the forthcoming General Meeting.

Yours faithfully,

Adam C Smith

Lecram Holdings Limited